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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SHIMKUS).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 17, 2001.

I hereby appoint the Honorable JOHN M. SHIMKUS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. George Dillard, Peachtree City Christian Church, Peachtree City, Georgia, offered the following prayer:

Almighty God, Creator, the One who with a Word spoke all things into existence and who even now holds all things together by the power of Your might, we come humbly in Your presence today seeking grace and mercy to help in time of need. As we acknowledge You as the sovereign Lord of this Nation, we seek Your will in all the decisions that will be made in this place by these men and women who have given themselves to service of the people. We ask that You give each Member of this House a heart of wisdom. Create, O God, in us a heart committed to You.

Father, we thank You for the blessings of freedom and liberty, for we acknowledge these as Your gifts. It is our prayer that we do not use our freedom and liberty as a covering for evil, but as an opportunity to proclaim Your truths.

Father, our prayer is that the eyes of our hearts might be open so that we can see the evil that seeks to destroy, that we might be prepared to stand against the schemes of the evil one.

We pray for revival in our land, for a return to the truth, morals, and values from Your word that once governed our lives. We ask for the wisdom to trust in You and Your son, Jesus, as the source of our courage, power, and strength to lead us through this present darkness. Father, we do not know what our tomorrows hold, but we do know that You hold our tomorrows.

So then we ask that You bless this House, our President, and the other leaders of this great Nation, cleanse our hearts from every sin, teach us to walk in Your paths and to live in Your righteousness and justice. Bind our hearts together and our minds into one great Nation that honors and serves You. We give You all the glory, the honor, and the praise in the precious name of Your son and our saviour, Jesus Christ. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. FOLEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FOLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Michigan (Mr. KNOLLENBERG) come forward and lead the House in the Pledge of Allegiance.

Mr. KNOLLENBERG led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND DR. GEORGE DILLARD

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, it is a great pleasure today to introduce my friend, Dr. George Dillard of the Peachtree City Christian Church in Peachtree City, Georgia.

George Dillard and his wife, Renee, and his children have been friends of mine for many years. We met in 1992 when I was running for office and George helped me a lot, not just in terms of let us get out and get some votes, but as a candidate, you often go through peaks and valleys and many, many dark hours. And George helped me through those, gave me a lot of advice. He also was one of the first persons that I called when my Aunt Louie died because I wanted to ask him a few questions about her beliefs; and George was there to give me some very sage, Biblical advice.

George has been a friend through the period when the guards at the United States Capitol were shot and killed. He was a friend during the trials and tribulations regarding the impeachment debate. He has been a friend through Bosnia and Kosovo, and now Afghanistan. All the perils. He was among the first to call me after the tragedy of September 11 and said, what can I do to help? He has opened this

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House Chamber in the past with prayer before, and so it is good to have a familiar voice and a familiar face with us.

Now, George was pastor in Rincon, Georgia in the first district of Georgia when I was running in 1992, but having done great works there and converted so many souls, he realized he needed to go up to the third district of Georgia where the gentleman from Georgia (Mr. COLLINS) was elected. I think he felt like there must be a need, and so he is now a constituent of my great friend, the gentleman from the third district of Georgia (Mr. COLLINS).

So I am going to yield to the gentleman from Georgia (Mr. COLLINS) and let him complete the introduction of Dr. George Dillard. To George, let me just say thank you.

Mr. COLLINS. Mr. Speaker, I thank the gentleman. I appreciate the fact that Reverend George Dillard did move to the third district of Georgia. As we can tell by his opening prayer, he is a messenger of God's word; and he is also one who believes in returning the message to God based on the things that he sees and the things that are happening in this country and asking for the need and the help of God. I welcome him here today.

I think it is great that he opened the House this morning. His wife and children were here last year and as he was leaving home yesterday and he called in, his children answered and said, Where are you? He said, I am in Congressman COLLINS's office. They said, oh, that is Uncle Mac. Tell him we will be back to see him, and we want them to come. His family does great work in Peachtree City, Georgia. He will do great work wherever he goes because he is delivering the message of God.

Thank you, George Dillard, for being here this morning. Thank you, Chaplain, for inviting him to come up and participate here this morning.

CONGRATULATIONS TO RANDY HERMAN SCHENKMAN AND MARIETTA GLAZER

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, since September 11, every day we honor the firefighters, police, and rescue workers who heroically gave their lives to save others. But today, I would also like to congratulate two South Florida women who have dedicated themselves to saving thousands of lives in the fight against breast cancer. Dr. Randy Herman Schenkman, former medical director of the Diagnostic Breast Cancer of Baptist Hospital and Outpatient Services, and Dr. Mariette Glazer, a therapist and pioneer of the first ostomy outpatient clinic at Memorial Regional Hospital. These women of visions have dedicated their careers to educating, imaging, and diagnosing women with breast cancer.

On Thursday, October 18, they will join the American Committee for Weizmann Institute of Science to explore the diagnostic and emotional aspects of breast cancer. They will share their knowledge and commitment to taking patient care to new heights. During this difficult time, it is inspiring to learn about the positive achievements of so many Americans. So I ask my colleagues to join me in congratulating these brave women for distinguishing themselves as champions in the war against breast cancer.

WE SHALL OVERCOME

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, for a moment let me speak about resolve. We have the tools of terrorism being used against us, whether they be anthrax or whether they be physical destruction. I came back from Missouri Sunday evening after talking with so many of the good folks that I represent, talking with young people; and I sense a deep resolve that I have not seen in a long time, a resolve to overcome the difficulties of terror. So from the heartland to those terrorists: we will win.

There are two things that we must do. Number one, we must continue to do what we do best. And that is be Americans, and we are resolved to do that. Number two, we must show our appreciation to the young men and young women in uniform. It was Cicero who once said that the greatest of all virtues is gratitude. So today in our resolve to go about our business and to keep our country strong, let us show added appreciation and gratitude to those who wear the uniform of the United States. We shall overcome this day.

FREEDOM SHALL PREVAIL

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. FOLEY. Mr. Speaker, let me associate myself with the remarks of the gentleman from Missouri and also to salute all of the people that work in this fine building.

We have been under a unique amount of pressure in recent days, but I have to salute the entirety of this Capitol, the police, the rank and file workers, the members who work for the Clerk's office, the pages, everyone else who has participated in keeping an orderly transition for our government.

Mr. bin Laden, your 15 minutes of fame are about over. The United States is united together in an attempt to rid the world of people like you who have threatened civilization, harmed our citizens, and now are infecting our territories with a bacteria. You will not win. You will not win this battle, because the United States stands for freedom, and that freedom shall prevail.

We thank you all, our citizens, who have rallied behind the flag and our President, we thank you for entrusting us, not only with your votes, but your opportunity to lead this country. And as Members of Congress, we remain united behind our President to rid the world of terror, to rid the world of hatred, and to make certain that your days are numbered.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members need to be reminded that comments should be directed to the Chair and not to anyone who may be watching the proceedings.

THREAT OF WAR IN THE MIDDLE EAST

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, reports say there is a growing number of Arab people opposing Uncle Sam, and they are also beginning to oppose their own leaders. If these reports are true, Arab nations are now vulnerable. Egypt and Mubarak may fall. King Fahd in Saudi Arabia may fall. Musharraf and Pakistan may fall, and they say that Arafat has now even insulated himself. These possibilities would destabilize the entire Free World.

I ask Congress, and I yield back the need to establish a Palestinian State, the first step necessary to avoid war in the Middle East and war spread throughout the entire world.

NUCLEAR TERRORISM

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, Osama bin Laden's thirst for destruction is only limited by the tools he has at hand. Last month, his henchmen destroyed the World Trade Center and took almost 6,000 innocent lives. Many of us said at that time that if he had chemical, biological, or nuclear weapons, he would use them.

Well, now we have confirmation. Russia's Interfax news agency is reporting that al-Qaeda has repeated attempts to buy nuclear material through the Russian Mafia. There is a lot of surplus weapons-grade nuclear material left in Russia left over from the Cold War and some of it has ended up on the black market. Bin Laden established contacts with representatives of Russian organized crime gangs in Germany, Belarus, and Russia. As far as we know, bin Laden has been unsuccessful in his

attempts to purchase or build a nuclear weapon.

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But how about all the other terrorist groups? How about Iraq or some other rogue regime?

Mr. Speaker, this revelation makes removing terrorism from the world even more important today than it was yesterday. The terrorists are insane men who must be stopped. Make no mistake, we will do it.

CONGRESS ADJOURNS WITHOUT ASSURING AIRLINE SAFETY FOR THE AMERICAN PUBLIC

(Mr. INSLEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INSLEE. Mr. Speaker, the American people are justifiably disappointed in this House that, over 1 month after the attack of September 11, this House has not done a stitch, not a stitch to improve airline safety. When we get on our planes to go back to our districts tomorrow or tonight, we are going to go there with the knowledge that over 90 percent of the bags that go into the belly of our jets are not screened for explosive devices. That does not help give confidence to the American people.

We now for a month have been asking the majority leadership to schedule a vote on airline safety so we can assure that screeners are well-trained and decently paid and know how to do the job, and so that we put screening devices to make sure they do not put bombs in our luggage that go in the belly of the aircraft. The Republican leadership has not scheduled a vote for over a month. It is just wrong.

I must say that I am disappointed that we are adjourning today for the safety of Congress and our employees, and perhaps that is the right thing to do, I do not know, but it is not the right thing to do when we have not done anything to protect Americans while they are on the airlines.

ECONOMIC AND PERSONAL SECURITY FOR AMERICANS

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, I hate to respond to the gentleman, but he is wrong. Airline safety is great. It is better than it has ever been. The gentleman ought to go through D-FW airport. He would find out. When I was there, I got screened three times. They are looking for bombs.

September 11 is going to live forever in the hearts and minds of those who value freedom and prosperity. One way to give Americans peace of mind during these trying times is to give people more confidence about their bank accounts, retirement plans, and the national economy.

Now more than ever people want economic security as well as personal security. The House economic stimulus plan which we will try to pass next week will do just that by cutting taxes and helping businesses. Under this plan, the average family of four would see their disposable annual income increase by $940 a year. Knowing I had an extra $940 every year sure would make me sleep better tonight.

The old adage applies: Success is the best revenge. I cannot think of a better way to spite those who want to harm our quality of life and capitalist society than by putting more money back into the economy and showing those who wish us harm what we are made of. Terrorists will never take away our hopes and dreams of a better America and a better economy.

A CALL TO FEDERALIZE AIRPORT SECURITY TO ASSURE AIRCRAFT SAFETY

(Mr. STRICKLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRICKLAND. Mr. Speaker, with all due respect to the previous speaker, it is true that 90 percent of the luggage that goes into the belly of our aircraft are not screened for explosive devices. If my friend, the gentleman from Texas, would like to challenge that statement, I will relinquish the remainder of my 1-minute so he can do so.

A message from the heartland: The Columbus Dispatch wrote yesterday: ''How much more evidence do House Republicans need to convince them that only a top notch security force, paid by the taxpayer and not hired by low-bid contractors, will make the airlines as safe as possible? A bill passed by the Senate and pending in the House would federalize airport security. The House should stop playing politics with this essential legislation and pass it.''

Mr. Speaker, airline travel may be marginally safer now than it was before September 11, but it is still not as safe as it ought to be or as safe as we can make it. This House should pass airline safety so that when Americans and their families get on our airlines, they can have confidence that there is not a bomb within the belly of that airplane.

Until we pass this legislation, we can never have that confidence.

AIRLINE SECURITY CAN BE ACHIEVED WITHOUT FEDERALIZING WORKFORCE

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, I am very pleased to join this debate over airline security today on the floor of the House, and set aside the remarks that I came to make.

My friends on the other side of the aisle would have us believe that this is a choice between one party that is interested in airline security and another party that is not. But Mr. Speaker, that is simply and plainly and baldly not the case.

The reality is that the proposal that has been passed in the other Chamber, the proposal that my Democrat friends support, would create 28,000 new Federal employees. Our proposal is to do what the President, Mr. Speaker, has called for from the very beginning; that is, new and higher standards, new Federal resources.

But let us not create a new class of Federal employees. Let us not have the people who run the post office or who run our immigration and naturalization and border services providing the security at our airports. It has been tried in Europe. It was rejected and failed. What we need is to strengthen our private security system, create accountability, provide resources.

This Republican will fight to give President Bush the airline security program that he so richly deserves.

TRIBUTE TO THE LIFE OF CAPTAIN JAY JAHNKE OF THE HOUSTON FIRE DEPARTMENT

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, this morning I wear the purple and black to honor the fallen firefighter in my community who died this past weekend. This morning we will funeralize in Houston, Texas, Captain Jay Jahnke, a soldier on the battlefield saving lives every day, a member of a fire dynasty, family members who have been part of the Houston firefighting community for many, many years.

I pay tribute to the life of Captain Jay Jahnke, who died on Saturday, October 13, 2001, after trying to rescue residents from a burning high-rise in the City of Houston. Captain Jahnke was a 20-year veteran of the Houston Fire Department. Captain Jahnke represents another perfect example of the brave fire and rescue professionals who put their lives on the line each day in order to protect the public. Every day these professionals take calculated risks that could cost them their lives.

Captain Jahnke never wanted to pursue any other profession besides serving the public as a firefighter. He developed his love for the firefighting profession by watching his father, who also served the public as a district fire chief in Houston, and many, many other relatives.

September 11, 2001, raised the consciousness of America of how important these brave souls are. A firefighter's prayer always is to do the very best that he or she can do. Many of Captain Jahnke's colleagues in the

Houston Fire Department knew him as a well-trained firefighter, Mr. Speaker, with special training in high water rescue and hazardous materials.

He is a great leader, a great hero, a great Houstonian and Texan, but most of all, he is a great American. God bless him and his family.

FINANCIAL ANTI-TERRORISM ACT OF 2001

Mr. OXLEY. Mr. Speaker, pursuant to the order of the House of October 16, 2001, I move to suspend the rules and pass the bill (H.R. 3004) to combat the financing of terrorism and other financial crimes, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3004

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Financial Anti-Terrorism Act of 2001''.

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

Sec. 1. Short title; table of contents.

TITLE I—STRENGTHENING LAW ENFORCEMENT

Sec. 101. Bulk cash smuggling into or out of the United States.
Sec. 102. Forfeiture in currency reporting cases.
Sec. 103. Illegal money transmitting businesses.
Sec. 104. Long-arm jurisdiction over foreign money launderers.
Sec. 105. Laundering money through a foreign bank.
Sec. 106. Specified unlawful activity for money laundering.
Sec. 107. Laundering the proceeds of terrorism.
Sec. 108. Proceeds of foreign crimes.
Sec. 109. Penalties for violations of geographic targeting orders and certain record keeping requirements.
Sec. 110. Exclusion of aliens involved in money laundering.
Sec. 111. Standing to contest forfeiture of funds deposited into foreign bank that has a correspondent account in the United States.
Sec. 112. Subpoenas for records regarding funds in correspondent bank accounts.
Sec. 113. Authority to order convicted criminal to return property located abroad.
Sec. 114. Corporation represented by a fugitive.
Sec. 115. Enforcement of foreign judgments.
Sec. 116. Reporting provisions and anti-terrorist activities of United States intelligence agencies.
Sec. 117. Financial Crimes Enforcement Network.
Sec. 118. Prohibition on false statements to financial institutions concerning the identity of a customer.
Sec. 119. Verification of identification.
Sec. 120. Consideration of anti-money laundering record.
Sec. 121. Reporting of suspicious activities by informal underground banking systems, such as hawalas.
Sec. 122. Uniform protection authority for Federal reserve facilities.
Sec. 123. Reports relating to coins and currency received in nonfinancial trade or business.

TITLE II—PUBLIC-PRIVATE COOPERATION

Sec. 201. Establishment of highly secure network.
Sec. 202. Report on improvements in data access and other issues.
Sec. 203. Reports to the financial services industry on suspicious financial activities.
Sec. 204. Efficient use of currency transaction report system.
Sec. 205. Public-private task force on terrorist financing issues.
Sec. 206. Suspicious activity reporting requirements.
Sec. 207. Amendments relating to reporting of suspicious activities.
Sec. 208. Authorization to include suspicions of illegal activity in written employment references.
Sec. 209. International cooperation on identification of originators of wire transfers.
Sec. 210. Check truncation study.

TITLE III—COMBATTING INTERNATIONAL MONEY LAUNDERING

Sec. 301. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.
Sec. 302. Special due diligence for correspondent accounts and private banking accounts.
Sec. 303. Prohibition on United States correspondent accounts with foreign shell banks.
Sec. 304. Anti-money laundering programs.
Sec. 305. Concentration accounts at financial institutions.
Sec. 306. International cooperation in investigations of money laundering, financial crimes, and the finances of terrorist groups.

TITLE IV—CURRENCY PROTECTION

Sec. 401. Counterfeiting domestic currency and obligations.
Sec. 402. Counterfeiting foreign currency and obligations.
Sec. 403. Production of documents.
Sec. 404. Reimbursement.

TITLE I—STRENGTHENING LAW ENFORCEMENT

SEC. 101. BULK CASH SMUGGLING INTO OR OUT OF THE UNITED STATES.

(a) FINDINGS.—The Congress finds the following:

(1) Effective enforcement of the currency reporting requirements of subchapter II of chapter 53 of title 31, United States Code, and the regulations prescribed under such subchapter, has forced drug dealers and other criminals engaged in cash-based businesses to avoid using traditional financial institutions.

(2) In their effort to avoid using traditional financial institutions, drug dealers and other criminals are forced to move large quantities of currency in bulk form to and through the airports, border crossings, and other ports of entry where the currency can be smuggled out of the United States and placed in a foreign financial institution or sold on the black market.

(3) The transportation and smuggling of cash in bulk form may now be the most common form of money laundering, and the movement of large sums of cash is one of the most reliable warning signs of drug trafficking, terrorism, money laundering, racketeering, tax evasion and similar crimes.

(4) The intentional transportation into or out of the United States of large amounts of currency or monetary instruments, in a manner designed to circumvent the mandatory reporting provisions of subchapter II of chapter 53 of title 31, United States Code,, is the equivalent of, and creates the same harm as, the smuggling of goods.

(5) The arrest and prosecution of bulk cash smugglers are important parts of law enforcement's effort to stop the laundering of criminal proceeds, but the couriers who attempt to smuggle the cash out of the United States are typically low-level employees of large criminal organizations, and thus are easily replaced. Accordingly, only the confiscation of the smuggled bulk cash can effectively break the cycle of criminal activity of which the laundering of the bulk cash is a critical part.

(6) The current penalties for violations of the currency reporting requirements are insufficient to provide a deterrent to the laundering of criminal proceeds. In particular, in cases where the only criminal violation under current law is a reporting offense, the law does not adequately provide for the confiscation of smuggled currency. In contrast, if the smuggling of bulk cash were itself an offense, the cash could be confiscated as the corpus delicti of the smuggling offense.

(b) PURPOSES.—The purposes of this section are—

(1) to make the act of smuggling bulk cash itself a criminal offense;

(2) to authorize forfeiture of any cash or instruments of the smuggling offense;

(3) to emphasize the seriousness of the act of bulk cash smuggling; and

(4) to prescribe guidelines for determining the amount of property subject to such forfeiture in various situations.

(c) ENACTMENT OF BULK CASH SMUGGLING OFFENSE.—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following:

''§ 5331. Bulk cash smuggling into or out of the United States

''(a) CRIMINAL OFFENSE.—

''(1) IN GENERAL.—Whoever, with the intent to evade a currency reporting requirement under section 5316, knowingly conceals more than $10,000 in currency or other monetary instruments on the person of such individual or in any conveyance, article of luggage, merchandise, or other container, and transports or transfers or attempts to transport or transfer such currency or monetary instruments from a place within the United States to a place outside of the United States, or from a place outside the United States to a place within the United States, shall be guilty of a currency smuggling offense and subject to punishment pursuant to subsection (b).

''(2) CONCEALMENT ON PERSON.—For purposes of this section, the concealment of currency on the person of any individual includes concealment in any article of clothing worn by the individual or in any luggage, backpack, or other container worn or carried by such individual.

''(b) PENALTY.—

''(1) TERM OF IMPRISONMENT.—A person convicted of a currency smuggling offense under subsection (a), or a conspiracy to commit such offense, shall be imprisoned for not more than 5 years.

''(2) FORFEITURE.—In addition, the court, in imposing sentence under paragraph (1), shall order that the defendant forfeit to the United States, any property, real or personal, involved in the offense, and any property traceable to such property, subject to subsection (d) of this section.

''(3) PROCEDURE.—The seizure, restraint, and forfeiture of property under this section shall be governed by section 413 of the Controlled Substances Act.

''(4) PERSONAL MONEY JUDGMENT.—If the property subject to forfeiture under paragraph (2) is unavailable, and the defendant has insufficient substitute property that may be forfeited pursuant to section 413(p) of the Controlled Substances Act, the court shall enter a personal money judgment against the defendant for the amount that would be subject to forfeiture.

''(c) CIVIL FORFEITURE.—

''(1) IN GENERAL.—Any property involved in a violation of subsection (a), or a conspiracy to commit such violation, and any property traceable to such violation or conspiracy, may be seized and, subject to subsection (d) of this section, forfeited to the United States.

''(2) PROCEDURE.—The seizure and forfeiture shall be governed by the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.

''(3) TREATMENT OF CERTAIN PROPERTY AS INVOLVED IN THE OFFENSE.—For purposes of this subsection and subsection (b), any currency or other monetary instrument that is concealed or intended to be concealed in violation of subsection (a) or a conspiracy to commit such violation, any article, container, or conveyance used, or intended to be used, to conceal or transport the currency or other monetary instrument, and any other property used, or intended to be used, to facilitate the offense, shall be considered property involved in the offense.''.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5330, the following new item:

''5331. Bulk cash smuggling into or out of the United States.''.

SEC. 102. FORFEITURE IN CURRENCY REPORTING CASES.

(a) IN GENERAL.—Subsection (c) of section 5317 of title 31, United States Code, is amended to read as follows:

''(c) FORFEITURE.—

''(1) IN GENERAL.—The court in imposing sentence for any violation of section 5313, 5316, or 5324 of this title, or any conspiracy to commit such violation, shall order the defendant to forfeit all property, real or personal, involved in the offense and any property traceable thereto.

''(2) PROCEDURE.—Forfeitures under this subsection shall be governed by the procedures established in section 413 of the Controlled Substances Act and the guidelines established in paragraph (4).

''(3) CIVIL FORFEITURE.—Any property involved in a violation of section 5313, 5316, or 5324 of this title, or any conspiracy to commit any such violation, and any property traceable to any such violation or conspiracy, may be seized and, subject to paragraph (4), forfeited to the United States in accordance with the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 981(a)(1)(A) of title 18, United States Code, is amended by striking ''of section 5313(a) or 5324(a) of title 31, or''.

(2) Section 982(a)(1) of title 18, United States Code, is amended by striking ''of section 5313(a), 5316, or 5324 of title 31, or''.

SEC. 103. ILLEGAL MONEY TRANSMITTING BUSINESSES.

(a) SCIENTER REQUIREMENT FOR SECTION 1960 VIOLATION.—Section 1960 of title 18, United States Code, is amended to read as follows:

''§ 1960. Prohibition of unlicensed money transmitting businesses

''(a) Whoever knowingly conducts, controls, manages, supervises, directs, or owns all or part of an unlicensed money transmitting business, shall be fined in accordance with this title or imprisoned not more than 5 years, or both.

''(b) As used in this section—

''(1) the term 'unlicensed money transmitting business' means a money transmitting business which affects interstate or foreign commerce in any manner or degree and—

''(A) is operated without an appropriate money transmitting license in a State where such operation is punishable as a misdemeanor or a felony under State law, whether or not the defendant knew that the operation was required to be licensed or that the operation was so punishable;

''(B) fails to comply with the money transmitting business registration requirements under section 5330 of title 31, United States Code, or regulations prescribed under such section; or

''(C) otherwise involves the transportation or transmission of funds that are known to the defendant to have been derived from a criminal offense or are intended to be used to be used to promote or support unlawful activity;

''(2) the term 'money transmitting' includes transferring funds on behalf of the public by any and all means including but not limited to transfers within this country or to locations abroad by wire, check, draft, facsimile, or courier; and

''(3) the term 'State' means any State of the United States, the District of Columbia, the Northern Mariana Islands, and any commonwealth, territory, or possession of the United States.''.

(b) SEIZURE OF ILLEGALLY TRANSMITTED FUNDS.—Section 981(a)(1)(A) of title 18, United States Code, is amended by striking ''or 1957'' and inserting '', 1957 or 1960''.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 95 of title 18, United States Code, is amended in the item relating to section 1960 by striking ''illegal'' and inserting ''unlicensed''.

SEC. 104. LONG-ARM JURISDICTION OVER FOREIGN MONEY LAUNDERERS.

Section 1956(b) of title 18, United States Code, is amended—

(1) by striking ''(b) Whoever'' and inserting ''(b)(1) Whoever'';

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

(3) by striking ''subsection (a)(1) or (a)(3),'' and inserting ''subsection (a)(1) or (a)(2) or section 1957,''; and

(4) by adding at the end the following new paragraphs:

''(2) For purposes of adjudicating an action filed or enforcing a penalty ordered under this section, the district courts shall have jurisdiction over any foreign person, including any financial institution authorized under the laws of a foreign country, against whom the action is brought, if—

''(A) service of process upon such foreign person is made under the Federal Rules of Civil Procedure or the laws of the country where the foreign person is found; and

''(B) the foreign person—

''(i) commits an offense under subsection (a) involving a financial transaction that occurs in whole or in part in the United States;

''(ii) converts to such person's own use property in which the United States has an ownership interest by virtue of the entry of an order of forfeiture by a court of the United States; or

''(iii) is a financial institution that maintains a correspondent bank account at a financial institution in the United States.

''(3) The court may issue a pretrial restraining order or take any other action necessary to ensure that any bank account or other property held by the defendant in the United States is available to satisfy a judgment under this section.''.

SEC. 105. LAUNDERING MONEY THROUGH A FOREIGN BANK.

Section 1956(c)(6) of title 18, United States Code, is amended to read as follows:

''(6) the term 'financial institution' includes any financial institution described in section 5312(a)(2) of title 31, United States Code, or the regulations promulgated thereunder, as well as any foreign bank, as defined in paragraph (7) of section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101(7));''.

SEC. 106. SPECIFIED UNLAWFUL ACTIVITY FOR MONEY LAUNDERING.

(a) IN GENERAL.—Section 1956(c)(7) of title 18, United States Code, is amended—

(1) in subparagraph (B)—

(A) by striking clause (ii) and inserting the following new clause:

''(ii) any act or acts constituting a crime of violence, as defined in section 16 of this title;''; and

(B) by inserting after clause (iii) the following new clauses:

''(iv) bribery of a public official, or the misappropriation, theft, or embezzlement of public funds by or for the benefit of a public official;

''(v) smuggling or export control violations involving munitions listed in the United States Munitions List or technologies with military applications as defined in the Commerce Control List of the Export Administration Regulations; or

''(vi) an offense with respect to which the United States would be obligated by a bilateral treaty either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United States;''; and

(2) in subparagraph (D)—

(A) by inserting ''section 541 (relating to goods falsely classified),'' before ''section 542'';

(B) by inserting ''section 922(1) (relating to the unlawful importation of firearms), section 924(n) (relating to firearms trafficking),'' before ''section 956'';

(C) by inserting ''section 1030 (relating to computer fraud and abuse),'' before ''1032''; and

(D) by inserting ''any felony violation of the Foreign Agents Registration Act of 1938, as amended,'' before ''or any felony violation of the Foreign Corrupt Practices Act''.

(b) RULE OF CONSTRUCTION.—None of the changes or amendments made by the Financial Anti-Terrorism Act of 2001 shall expand the jurisdiction of any Federal or State court over any civil action or claim for monetary damages for the nonpayment of taxes or duties under the revenue laws of a foreign state, or any political subdivision thereof, except as such actions or claims are authorized by United States treaty that provides the United States and its political subdivisions with reciprocal rights to pursue such actions or claims in the courts of the foreign state and its political subdivisions.

SEC. 107. LAUNDERING THE PROCEEDS OF TERRORISM.

Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting ''or 2339B'' after ''2339A''.

SEC. 108. PROCEEDS OF FOREIGN CRIMES.

Section 981(a)(1)(B) of title 18, United States Code, is amended to read as follows:

''(B) Any property, real or personal, within the jurisdiction of the United States, constituting, derived from, or traceable to, any proceeds obtained directly or indirectly from an offense against a foreign nation, or any property used to facilitate such offense, if—

''(i) the offense involves the manufacture, importation, sale, or distribution of a controlled substance (as such term is defined for the purposes of the Controlled Substances

Act), or any other conduct described in section 1956(c)(7)(B),

''(ii) the offense would be punishable within the jurisdiction of the foreign nation by death or imprisonment for a term exceeding one year, and

''(iii) the offense would be punishable under the laws of the United States by imprisonment for a term exceeding one year if the act or activity constituting the offense had occurred within the jurisdiction of the United States.''.

SEC. 109. PENALTIES FOR VIOLATIONS OF GEOGRAPHIC TARGETING ORDERS AND CERTAIN RECORD KEEPING REQUIREMENTS.

(a) CIVIL PENALTY FOR VIOLATION OF TARGETING ORDER.—Section 5321(a)(1) of title 31, United States Code, is amended—

(1) by inserting ''or order issued'' after ''subchapter or a regulation prescribed''; and

(2) by inserting '', or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''sections 5314 and 5315)''.

(b) CRIMINAL PENALTIES FOR VIOLATION OF TARGETING ORDER.—

Section 5322 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting ''or order issued'' after ''willfully violating this subchapter or a regulation prescribed''; and

(B) by inserting '', or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''under section 5315 or 5324)'';

(2) in subsection (b)—

(A) by inserting ''or order issued'' after ''willfully violating this subchapter or a regulation prescribed''; and

(B) by inserting ''or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''under section 5315 or 5324),'';

(c) STRUCTURING TRANSACTIONS TO EVADE TARGETING ORDER OR CERTAIN RECORD KEEPING REQUIREMENTS.—Section 5324(a) of title 31, United States Code, is amended—

(1) by inserting a comma after ''shall'';

(2) by striking ''section—'' and inserting ''section, the reporting requirements imposed by any order issued under section 5326, or the record keeping requirements imposed by any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508—''; and

(3) in paragraphs (1) and (2), by inserting '', to file a report required by any order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508'' after ''regulation prescribed under any such section'' each place that term appears.

(d) INCREASE IN CIVIL PENALTIES FOR VIOLATION OF CERTAIN RECORD KEEPING REQUIREMENTS.—

(1) FEDERAL DEPOSIT INSURANCE ACT.—Section 21(j)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(j)(1)) is amended by striking ''$10,000'' and inserting ''the greater of—

''(A) the amount (not to exceed $100,000) involved in the transaction (if any) with respect to which the violation occurred; or

''(B) $25,000''.

(2) PUBLIC LAW 91–508.—Section 125(a) of Public Law 91–508 (12 U.S.C. 1955(a)) is amended by striking ''$10,000'' and inserting ''the greater of—

''(1) the amount (not to exceed $100,000) involved in the transaction (if any) with respect to which the violation occurred; or

''(2) $25,000''.

(e) CRIMINAL PENALTIES FOR VIOLATION OF CERTAIN RECORD KEEPING REQUIREMENTS.—

(1) SECTION 126.—Section 126 of Public Law 91–508 (12 U.S.C. 1956) is amended to read as follows:

''SEC. 126. CRIMINAL PENALTY.

''A person that willfully violates this chapter, section 21 of the Federal Deposit Insurance Act, or a regulation prescribed under this chapter or that section 21, shall be fined not more than $250,000, or imprisoned for not more than 5 years, or both.''.

(2) SECTION 127.—Section 127 of Public Law 91–508 (12 U.S.C. 1957) is amended to read as follows:

''SEC. 127. ADDITIONAL CRIMINAL PENALTY IN CERTAIN CASES.

''A person that willfully violates this chapter, section 21 of the Federal Deposit Insurance Act, or a regulation prescribed under this chapter or that section 21, while violating another law of the United States or as part of a pattern of any illegal activity involving more than $100,000 in a 12-month period, shall be fined not more than $500,000, imprisoned for not more than 10 years, or both.''.

SEC. 110. EXCLUSION OF ALIENS INVOLVED IN MONEY LAUNDERING.

(a) IN GENERAL.—Section 212 of the Immigration and Nationality Act, as amended (8 U.S.C. 1182), is amended in subsection (a)(2)—

(1) by redesignating subparagraphs (D), (E), (F), (G), and (H) as subparagraphs (E), (F), (G), (H), and (I), respectively; and

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

''(D) MONEY LAUNDERING ACTIVITIES.—

''(i) IN GENERAL.—Any alien who the consular officer or the Attorney General knows or has reason to believe is or has been engaged in activities which if engaged in within the United States would constitute a violation of the money laundering provisions section 1956, 1957, or 1960 of title 18, United States Code, or has knowingly assisted, abetted, or conspired or colluded with others in any such illicit activity is inadmissible.

''(ii) RELATED INDIVIDUALS.—Any alien who the consular officer or the Attorney General knows or has reason to believe is the spouse, son, or daughter of an alien inadmissible under clause (i), has, within the previous 5 years, obtained any financial or other benefit from such illicit activity of that alien, and knew or reasonably should have known that the financial or other benefit was the product of such illicit activity, is inadmissible, except that the Attorney General may, in the full discretion of the Attorney General, waive the exclusion of the spouse, son, or daughter of an alien under this clause if the Attorney General determines that exceptional circumstances exist that justify such waiver.''.

(b) CONFORMING AMENDMENT.—Section 212(h)(1)(A)(i) of the Immigration and Nationality Act, as amended (8 U.S.C. 1182), is amended by striking ''(D)(i) or (D)(ii)'' and inserting ''(E)(i) or (E)(ii)''.

SEC. 111. STANDING TO CONTEST FORFEITURE OF FUNDS DEPOSITED INTO FOREIGN BANK THAT HAS A CORRESPONDENT ACCOUNT IN THE UNITED STATES.

Section 981 of title 18, United States Code, is amended by adding at the end the following new subsection:

''(k) CORRESPONDENT BANK ACCOUNTS.—

''(1) TREATMENT OF ACCOUNTS OF CORRESPONDENT BANK IN DOMESTIC FINANCIAL INSTITUTIONS.—

''(A) IN GENERAL.—For the purpose of a forfeiture under this section or under the Controlled Substances Act, if funds are deposited into a dollar-denominated bank account in a foreign financial institution, and that foreign financial institution has a correspondent account with a financial institution in the United States, the funds deposited into the foreign financial institution (the respondent bank) shall be deemed to have been deposited into the correspondent account in the United States, and any restraining order, seizure warrant, or arrest warrant in rem regarding such funds may be served on the correspondent bank, and funds in the correspondent account up to the value of the funds deposited into the dollar-denominated account in the foreign financial institution may be seized, arrested or restrained.

''(B) AUTHORITY TO SUSPEND.—The Attorney General, in consultation with the Secretary, may suspend or terminate a forfeiture under this section if the Attorney General determines that a conflict of law exists between the laws of the jurisdiction in which the foreign bank is located and the laws of the United States with respect to liabilities arising from the restraint, seizure, or arrest of such funds, and that such suspension or termination would be in the interest of justice and would not harm the national interests of the United States.

''(2) NO REQUIREMENT FOR GOVERNMENT TO TRACE FUNDS.—If a forfeiture action is brought against funds that are restrained, seized, or arrested under paragraph (1), the Government shall not be required to establish that such funds are directly traceable to the funds that were deposited into the respondent bank, nor shall it be necessary for the Government to rely on the application of Section 984 of this title.

''(3) CLAIMS BROUGHT BY OWNER OF THE FUNDS.—If a forfeiture action is instituted against funds seized, arrested, or restrained under paragraph (1), the owner of the funds may contest the forfeiture by filing a claim pursuant to section 983.

''(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) CORRESPONDENT ACCOUNT.—The term 'correspondent account' has the meaning given to the term 'interbank account' in section 984(c)(2)(B).

''(B) OWNER.—

''(i) IN GENERAL.—Except as provided in clause (ii), the term 'owner'—

''(I) means the person who was the owner, as that term is defined in section 983(d)(6), of the funds that were deposited into the foreign bank at the time such funds were deposited; and

''(II) does not include either the foreign bank or any financial institution acting as an intermediary in the transfer of the funds into the interbank account.

''(ii) EXCEPTION.—The foreign bank may be considered the 'owner' of the funds (and no other person shall qualify as the owner of such funds) only if—

''(I) the basis for the forfeiture action is wrongdoing committed by the foreign bank; or

''(II) the foreign bank establishes, by a preponderance of the evidence, that prior to the restraint, seizure, or arrest of the funds, the foreign bank had discharged all or part of its obligation to the prior owner of the funds, in which case the foreign bank shall be deemed the owner of the funds to the extent of such discharged obligation.''.

SEC. 112. SUBPOENAS FOR RECORDS REGARDING FUNDS IN CORRESPONDENT BANK ACCOUNTS.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5331 (as added by section 101) the following new section:

"§ 5332. Subpoenas for records

''(a) DESIGNATION BY FOREIGN FINANCIAL INSTITUTION OF AGENT.—Any foreign financial institution that has a correspondent bank account at a financial institution in the United States shall designate a person residing in the United States as a person authorized to accept a subpoena for bank records or other legal process served on the foreign financial institution.

''(b) MAINTENANCE OF RECORDS BY DOMESTIC FINANCIAL INSTITUTION.—

''(1) IN GENERAL.—Any domestic financial institution that maintains a correspondent bank account for a foreign financial institution shall maintain records regarding the names and addresses of the owners of the foreign financial institution, and the name and address of the person who may be served with a subpoena for records regarding any funds transferred to or from the correspondent account.

''(2) PROVISION TO LAW ENFORCEMENT AGENCY.—A domestic financial institution shall provide names and addresses maintained under paragraph (1) to a Government authority (as defined in section 1101(3) of the Right to Financial Privacy Act of 1978) within 7 days of the receipt of a request, in writing, for such records.

''(c) ADMINISTRATIVE SUBPOENA.—

''(1) IN GENERAL.—The Attorney General and the Secretary of the Treasury may each issue an administrative subpoena for records relating to the deposit of any funds into a dollar-denominated account in a foreign financial institution that maintains a correspondent account at a domestic financial institution.

''(2) MANNER OF ISSUANCE.—Any subpoena issued by the Attorney General or the Secretary of the Treasury under paragraph (1) shall be issued in the manner described in section 3486 of title 18, and may be served on the representative designated by the foreign financial institution pursuant to subsection (a) to accept legal process in the United States, or in a foreign country pursuant to any mutual legal assistance treaty, multilateral agreement, or other request for international law enforcement assistance.

''(d) CORRESPONDENT ACCOUNT DEFINED.—For purposes of this section, the term 'correspondent account' has the same meaning as the term 'interbank account' as such term is defined in section 984(c)(2)(B) of title 18, United States Code.''.

(b) CLERICAL AMENDMENTS.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5331 (as added by section 101) the following new item:

''5332. Subpoenas for records.''.

(c) EFFECTIVE DATE.—Section 5332(a) of title 31, United States Code, (as added by subsection (a) of this section shall apply after the end of the 30-day period beginning on the date of the enactment of this Act.

(d) REQUESTS FOR RECORDS.—Section 3486(a)(1)(A)(i) of title 18, United States Code, is amended by striking ''; or (II) a Federal offense involving the sexual exploitation or abuse of children,'' and inserting '', (II) a Federal offense involving the sexual exploitation or abuse of children, or (III) a money laundering offense in violation of section 1956, 1957 or 1960 of this title,''.

SEC. 113. AUTHORITY TO ORDER CONVICTED CRIMINAL TO RETURN PROPERTY LOCATED ABROAD.

(a) FORFEITURE OF SUBSTITUTE PROPERTY.—Section 413(p) of the Controlled Substances Act (21 U.S.C. 853) is amended to read as follows:

''(p) FORFEITURE OF SUBSTITUTE PROPERTY.—

''(1) IN GENERAL.—Paragraph (2) of this subsection shall apply, if any property described in subsection (a), as a result of any act or omission of the defendant—

''(A) cannot be located upon the exercise of due diligence;

''(B) has been transferred or sold to, or deposited with, a third party;

''(C) has been placed beyond the jurisdiction of the court;

''(D) has been substantially diminished in value; or

''(E) has been commingled with other property which cannot be divided without difficulty.

''(2) SUBSTITUTE PROPERTY.—In any case described in any of subparagraphs (A) through (E) of paragraph (1), the court shall order the forfeiture of any other property of the defendant, up to the value of any property described in subparagraphs (A) through (E) of paragraph (1), as applicable.

''(3) RETURN OF PROPERTY TO JURISDICTION.—In the case of property described in paragraph (1)(C), the court may, in addition to any other action authorized by this subsection, order the defendant to return the property to the jurisdiction of the court so that the property may be seized and forfeited.''.

(b) PROTECTIVE ORDERS.—Section 413(e) of the Controlled Substances Act (21 U.S.C. 853(e)) is amended by adding at the end the following:

''(4) ORDER TO REPATRIATE AND DEPOSIT.—

''(A) IN GENERAL.—Pursuant to its authority to enter a pretrial restraining order under this section, the court may order a defendant to repatriate any property that may be seized and forfeited, and to deposit that property pending trial in the registry of the court, or with the United States Marshals Service or the Secretary of the Treasury, in an interest-bearing account, if appropriate.

''(B) FAILURE TO COMPLY.—Failure to comply with an order under this subsection, or an order to repatriate property under subsection (p), shall be punishable as a civil or criminal contempt of court, and may also result in an enhancement of the sentence of the defendant under the obstruction of justice provision of the Federal Sentencing Guidelines.''.

SEC. 114. CORPORATION REPRESENTED BY A FUGITIVE.

Section 2466 of title 28, United States Code, is amended by designating the present matter as subsection (a), and adding at the end the following:

''(b) Subsection (a) may be applied to a claim filed by a corporation if any majority shareholder, or individual filing the claim on behalf of the corporation is a person to whom subsection (a) applies.''.

SEC. 115. ENFORCEMENT OF FOREIGN JUDGMENTS.

Section 2467 of title 28, United States Code, is amended—

(1) in subsection (d), by inserting after paragraph (2) the following new paragraph:

''(3) PRESERVATION OF PROPERTY.—To preserve the availability of property subject to a foreign forfeiture or confiscation judgment, the Government may apply for, and the court may issue, a restraining order pursuant to section 983(j) of title 18, United States Code, at any time before or after an application is filed pursuant to subsection (c)(1). The court, in issuing the restraining order—

''(A) may rely on information set forth in an affidavit describing the nature of the proceeding or investigation underway in the foreign country, and setting forth a reasonable basis to believe that the property to be restrained will be named in a judgment of forfeiture at the conclusion of such proceeding; or

''(B) may register and enforce a restraining order that has been issued by a court of competent jurisdiction in the foreign country and certified by the Attorney General pursuant to subsection (b)(2).

No person may object to the restraining order on any ground that is the subject of parallel litigation involving the same property that is pending in a foreign court.'';

(2) in subsection (b)(1)(C), by striking ''establishing that the defendant received notice of the proceedings in sufficient time to enable the defendant'' and inserting ''establishing that the foreign nation took steps, in accordance with the principles of due process, to give notice of the proceedings to all persons with an interest in the property in sufficient time to enable such persons'';

(3) in subsection (d)(1)(D), by striking ''the defendant in the proceedings in the foreign court did not receive notice'' and inserting ''the foreign nation did not take steps, in accordance with the principles of due process, to give notice of the proceedings to a person with an interest in the property''; and

(4) in subsection (a)(2)(A), by inserting '', any violation of foreign law that would constitute a violation of an offense for which property could be forfeited under Federal law if the offense were committed in the United States'' after ''United Nations Convention''.

SEC. 116. REPORTING PROVISIONS AND ANTI-TERRORIST ACTIVITIES OF UNITED STATES INTELLIGENCE AGENCIES.

(a) AMENDMENT RELATING TO THE PURPOSES OF CHAPTER 53 OF TITLE 31, UNITED STATES CODE.—Section 5311 of title 31, United States Code, is amended by inserting before the period at the end the following: '', or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism''.

(b) AMENDMENT RELATING TO REPORTING OF SUSPICIOUS ACTIVITIES.—Section 5318(g)(4)(B) of title 31, United States Code, is amended by striking ''or supervisory agency'' and inserting '', supervisory agency, or United States intelligence agency for use in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism''.

(c) AMENDMENT RELATING TO AVAILABILITY OF REPORTS.—Section 5319 of title 31, United States Code, is amended to read as follows:

"§ 5319. Availability of reports

''The Secretary of the Treasury shall make information in a report filed under this subchapter available to an agency, including any State financial institutions supervisory agency, United States intelligence agency or self-regulatory organization registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission, upon request of the head of the agency or organization. The report shall be available for a purpose that is consistent with this subchapter. The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes or by United States intelligence agencies. However, a report and records of reports are exempt from disclosure under section 552 of title 5.''.

(d) AMENDMENT RELATING TO THE RETENTION OF RECORDS BY INSURED DEPOSITORY INSTITUTIONS.—Section 21(a) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(a)) is amended—

(1) in paragraph (1), by inserting '', or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism'' after ''proceedings''; and

(2) in paragraph (2), by inserting '', or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism'' before the period at the end.

(e) AMENDMENT RELATING TO THE RETENTION OF RECORDS BY UNINSURED INSTITUTIONS.—Section 123(a) of Public Law 91–508 (12 U.S.C. 1953(a)) is amended by inserting '', or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism'' after ''proceedings''.

(f) AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT.—The Right to Financial Privacy Act of 1978 is amended—

(1) in section 1112(a) (12 U.S.C. 3412(a)), by inserting '', or intelligence or counterintelligence activity, investigation or analysis related to international terrorism'' after ''legitimate law enforcement inquiry'';

(2) in section 1114(a)(1) (12 U.S.C. 3414(a)(1))—

(A) in subparagraph (A), by striking ''or'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(C) a Government authority authorized to conduct investigations of, or intelligence or counterintelligence analyses related to, international terrorism for the purpose of conducting such investigations or analyses.''; and

(3) in section 1120(a)(2) (12 U.S.C. 3420(a)(2)), by inserting '', or for a purpose authorized by section 1112(a)'' before the semicolon at the end.

(g) AMENDMENT TO THE FAIR CREDIT REPORTING ACT.—

(1) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(A) by redesignating the second of the 2 sections designated as section 624 (15 U.S.C. 1681u) (relating to disclosure to FBI for counterintelligence purposes) as section 625; and

(B) by adding at the end the following new section:

''§ 626. Disclosures to governmental agencies for counterterrorism purposes

''(a) DISCLOSURE.—Notwithstanding section 604 or any other provision of this title, a consumer reporting agency shall furnish a consumer report of a consumer and all other information in a consumer's file to a government agency authorized to conduct investigations of, or intelligence or counterintelligence activities or analysis related to, international terrorism when presented with a written certification by such government agency that such information is necessary for the agency's conduct or such investigation, activity or analysis.

''(b) FORM OF CERTIFICATION.—The certification described in subsection (a) shall be signed by a supervisory official designated by the head of a Federal agency or an officer of a Federal agency whose appointment to office is required to be made by the President, by and with the advice and consent of the Senate.

''(c) CONFIDENTIALITY.—No consumer reporting agency, or officer, employee, or agent of such consumer reporting agency, shall disclose to any person, or specify in any consumer report, that a government agency has sought or obtained access to information under subsection (a).

''(d) RULE OF CONSTRUCTION.—Nothing in section 625 shall be construed to limit the authority of the Director of the Federal Bureau of Investigation under this section.

''(e) SAFE HARBOR.—Notwithstanding any other provision of this subchapter, any consumer reporting agency or agent or employee thereof making disclosure of consumer reports or other information pursuant to this section in good-faith reliance upon a certification of a governmental agency pursuant to the provisions of this section shall not be liable to any person for such disclosure under this subchapter, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.''.

(2) CLERICAL AMENDMENTS.—The table of sections for the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(A) by redesignating the second of the 2 items designated as section 624 as section 625; and

(B) by inserting after the item relating to section 625 (as so redesignated) the following new item:

''626. Disclosures to governmental agencies for counterterrorism purposes.''.

(h) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to reports filed or records maintained on, before, or after the date of the enactment of this Act.

SEC. 117. FINANCIAL CRIMES ENFORCEMENT NETWORK.

(a) IN GENERAL.—Subchapter I of chapter 3 of title 31, United States Code, is amended—

(1) by redesignating section 310 as section 311; and

(2) by inserting after section 309 the following new section:

''§ 310. Financial Crimes Enforcement Network

''(a) IN GENERAL.—The Financial Crimes Enforcement Network established by order of the Secretary of the Treasury (Treasury Order Numbered 105-08) on April 25, 1990, shall be a bureau in the Department of the Treasury.

''(b) DIRECTOR.—

''(1) APPOINTMENT.—The head of the Financial Crimes Enforcement Network shall be the Director who shall be appointed by the Secretary of the Treasury.

''(2) DUTIES AND POWERS.—The duties and powers of the Director are as follows:

''(A) Advise and make recommendations on matters relating to financial intelligence, financial criminal activities, and other financial activities to the Under Secretary for Enforcement.

''(B) Maintain a government-wide data access service, with access, in accordance with applicable legal requirements, to the following:

''(i) Information collected by the Department of the Treasury, including report information filed under subchapters II and III of chapter 53 of this title (such as reports on cash transactions, foreign financial agency transactions and relationships, foreign currency transactions, exporting and importing monetary instruments, and suspicious activities), chapter 2 of title I of Public Law 91–508, and section 21 of the Federal Deposit Insurance Act.

''(ii) Information regarding national and international currency flows.

''(iii) Other records and data maintained by other Federal, State, local, and foreign agencies, including financial and other records developed in specific cases.

''(iv) Other privately and publicly available information.

''(C) Analyze and disseminate the available data in accordance with applicable legal requirements and policies and guidelines established by the Secretary of the Treasury and the Under Secretary for Enforcement to—

''(i) identify possible criminal activity to appropriate Federal, State, local, and foreign law enforcement agencies;

''(ii) support ongoing criminal financial investigations and prosecutions and related proceedings, including civil and criminal tax and forfeiture proceedings;

''(iii) identify possible instances of noncompliance with subchapters II and III of chapter 53 of this title, chapter 2 of title I of Public Law 91–508, and section 21 of the Federal Deposit Insurance Act to Federal agencies with statutory responsibility for enforcing compliance with such provisions and other appropriate Federal regulatory agencies;

''(iv) evaluate and recommend possible uses of special currency reporting requirements under section 5326;

''(v) determine emerging trends and methods in money laundering and other financial crimes;

''(vi) support the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism; and

''(vii) support government initiatives against money laundering.

''(D) Establish and maintain a financial crimes communications center to furnish law enforcement authorities with intelligence information related to emerging or ongoing investigations and undercover operations.

''(E) Furnish research, analytical, and informational services to financial institutions, appropriate Federal regulatory agencies with regard to financial institutions, and appropriate Federal, State, local, and foreign law enforcement authorities, in accordance with policies and guidelines established by the Secretary of the Treasury or the Under Secretary of the Treasury for Enforcement, in the interest of detection, prevention, and prosecution of terrorism, organized crime, money laundering, and other financial crimes.

''(F) Establish and maintain a special unit dedicated to assisting Federal, State, local, and foreign law enforcement and regulatory authorities in combatting the use of informal, nonbank networks and payment and barter system mechanisms that permit the transfer of funds or the equivalent of funds without records and without compliance with criminal and tax laws.

''(G) Provide computer and data support and data analysis to the Secretary of the Treasury for tracking and controlling foreign assets.

''(H) Coordinate with financial intelligence units in other countries on anti-terrorism and anti-money laundering initiatives, and similar efforts.

''(I) Administer the requirements of subchapters II and III of chapter 53 of this title, chapter 2 of title I of Public Law 91–508, and section 21 of the Federal Deposit Insurance Act, to the extent delegated such authority by the Secretary of the Treasury.

''(J) Such other duties and powers as the Secretary of the Treasury may delegate or prescribe.

''(c) REQUIREMENTS RELATING TO MAINTENANCE AND USE OF DATA BANKS.—The Secretary of the Treasury shall establish and maintain operating procedures with respect to the government-wide data access service and the financial crimes communications center maintained by the Financial Crimes Enforcement Network which provide—

''(1) for the coordinated and efficient transmittal of information to, entry of information into, and withdrawal of information from, the data maintenance system maintained by the Network, including—

''(A) the submission of reports through the Internet or other secure network, whenever possible;

''(B) the cataloguing of information in a manner that facilitates rapid retrieval by law enforcement personnel of meaningful data; and

''(C) a procedure that provides for a prompt initial review of suspicious activity reports and other reports, or such other means as the Secretary may provide, to identify information that warrants immediate action; and

''(2) in accordance with section 552a of title 5 and the Right to Financial Privacy Act of 1978, appropriate standards and guidelines for determining—

''(A) who is to be given access to the information maintained by the Network;

''(B) what limits are to be imposed on the use of such information; and

''(C) how information about activities or relationships which involve or are closely associated with the exercise of constitutional rights is to be screened out of the data maintenance system.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Financial Crimes Enforcement Network such sums as may be necessary for fiscal years 2002, 2003, 2004, and 2005.''.

(b) COMPLIANCE WITH EXISTING REPORTS COMPLIANCE.—The Secretary of the Treasury shall study methods for improving compliance with the reporting requirements established in section 5314 of title 31, United States Code, and shall submit a report on such study to the Congress by the end of the 6-month period beginning on the date of the enactment of this Act and each 1-year period thereafter. The initial report shall include historical data on compliance with such reporting requirements.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 3 of title 31, United States Code, is amended—

(1) by redesignating the item relating to section 310 as section 311; and

(2) by inserting after the item relating to section 309 the following new item:

''310. Financial Crimes Enforcement Network''.

SEC. 118. PROHIBITION ON FALSE STATEMENTS TO FINANCIAL INSTITUTIONS CONCERNING THE IDENTITY OF A CUSTOMER.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by inserting after section 1007 the following:

''§ 1008. False statements concerning the identity of customers of financial institutions

''(a) IN GENERAL.—Whoever, in connection with information submitted to or requested by a financial institution, knowingly in any manner—

''(1) falsifies, conceals, or covers up, or attempts to falsify, conceal, or cover up, the identity of any person in connection with any transaction with a financial institution;

''(2) makes, or attempts to make, any materially false, fraudulent, or fictitious statement or representation of the identity of any person in connection with a transaction with a financial institution;

''(3) makes or uses, or attempts to make or use, any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry concerning the identity of any person in connection with a transaction with a financial institution; or

''(4) uses or presents, or attempts to use or present, in connection with a transaction with a financial institution, an identification document or means of identification the possession of which is a violation of section 1028;

shall be fined under this title, imprisoned not more than 5 years, or both.

''(b) DEFINITIONS.—In this section, the following definitions shall apply:

''(1) FINANCIAL INSTITUTION.—The term 'financial institution'—

''(A) has the same meaning as in section 20; and

''(B) in addition, has the same meaning as in section 5312(a)(2) of title 31, United States Code.

''(2) IDENTIFICATION DOCUMENT.—The term 'identification document' has the same meaning as in section 1028(d).

''(3) MEANS OF IDENTIFICATION.—The term 'means of identification' has the same meaning as in section 1028(d).''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TITLE 18, UNITED STATES CODE.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking ''1014 (relating to fraudulent loan'' and inserting ''section 1008 (relating to false statements concerning the identity of customers of financial institutions), section 1014 (relating to fraudulent loan''.

(2) TABLE OF SECTIONS.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1007 the following:

''1008. False statements concerning the identity of customers of financial institutions.''.

SEC. 119. VERIFICATION OF IDENTIFICATION.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(i) IDENTIFICATION AND VERIFICATION OF ACCOUNTHOLDERS.—

''(1) IN GENERAL.—Subject to the requirements of this subsection, the Secretary of the Treasury shall prescribe regulations setting forth the minimum standards regarding customer identification that shall apply in connection with the opening of an account at a financial institution.

''(2) MINIMUM REQUIREMENTS.—The regulations shall, at a minimum, require financial institutions to implement procedures for—

''(A) verifying the identity of any person seeking to open an account to the extent reasonable and practicable;

''(B) maintaining records of the information used to verify a person's identity, including name, address, and other identifying information;

''(C) consulting lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency to determine whether a person seeking to open an account appears on any such list.

''(3) FACTORS TO BE CONSIDERED.—In prescribing regulations under this subsection, the Secretary shall take into consideration the various types of accounts maintained by various types of financial institutions, the various methods of opening accounts, and the various types of identifying information available.

''(4) CERTAIN FINANCIAL INSTITUTIONS.—In the case of any financial institution the business of which is engaging in financial activities described in section 4(k) of the Bank Holding Company Act of 1956 (including financial activities subject to the jurisdiction of the Commodity Futures Trading Commission), the regulations prescribed by the Secretary under paragraph (1) shall be prescribed jointly with each Federal functional regulator (as defined in section 509 of the Gramm-Leach-Bliley Act, including the Commodity Futures Trading Commission) appropriate for such financial institution.

''(5) EXEMPTIONS.—The Secretary of the Treasury (and, in the case of any financial institution described in paragraph (4), any Federal agency described in such paragraph) may, by regulation or order, exempt any financial institution or type of account from the requirements of any regulation prescribed under this subsection in accordance with such standards and procedures as the Secretary may prescribe.

''(6) EFFECTIVE DATE.—Final regulations prescribed under this subsection shall take effect before the end of the 1-year period beginning on the date of the enactment of the Financial Anti-Terrorism Act of 2001.''.

(b) STUDY AND REPORT REQUIRED.—Within 6 months after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act) and other appropriate Government agencies, shall submit a report to the Congress containing recommendations for—

(1) determining the most timely and effective way to require foreign nationals to provide domestic financial institutions and agencies with appropriate and accurate information, comparable to that which is required of United States nationals, concerning their identity, address, and other related information necessary to enable such institutions and agencies to comply with the requirements of this section;

(2) requiring foreign nationals to apply for and obtain, before opening an account with a domestic financial institution, an identification number which would function similarly to a Social Security number or tax identification number; and

(3) establishing a system for domestic financial institutions and agencies to review information maintained by relevant Government agencies for purposes of verifying the identities of foreign nationals seeking to open accounts at those institutions and agencies.

SEC. 120. CONSIDERATION OF ANTI-MONEY LAUNDERING RECORD.

(a) BANK HOLDING COMPANY ACT OF 1956.—

(1) IN GENERAL.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended by adding at the end the following new paragraph:

''(6) MONEY LAUNDERING.—In every case the Board shall take into consideration the effectiveness of the company or companies in combatting and preventing money laundering activities, including in overseas branches.''.

(2) SCOPE OF APPLICATION.—The amendment made by paragraph (1) shall apply with respect to any application submitted to the Board of Governors of the Federal Reserve System under section 3 of the Bank Holding Company Act of 1956 after December 31, 2000, which has not been approved by the Board before the date of the enactment of this Act.

(b) MERGERS SUBJECT TO REVIEW UNDER FEDERAL DEPOSIT INSURANCE ACT.—

(1) IN GENERAL.—Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended—

(A) by redesignating paragraph (11) as paragraph (12); and

(B) by inserting after paragraph (10), the following new paragraph:

''(11) MONEY LAUNDERING.—In every case, the responsible agency shall take into consideration the effectiveness of any insured depository institution involved in the proposed merger transaction in combatting and preventing money laundering activities, including in overseas branches.''.

(2) SCOPE OF APPLICATION.—The amendment made by paragraph (1) shall apply with respect to any application submitted to the responsible agency under section 18(c) of the Federal Deposit Insurance Act after December 31, 2000, which has not been approved by all appropriate responsible agencies before the date of the enactment of this Act.

SEC. 121. REPORTING OF SUSPICIOUS ACTIVITIES BY INFORMAL UNDERGROUND BANKING SYSTEMS, SUCH AS HAWALAS.

(a) DEFINITION FOR SUBCHAPTER.—Subparagraph (R) of section 5312(a)(2) of title 31,

United States Code, is amended to read as follows:

''(R) a licensed sender of money or any other person who engages as a business in the transmission of funds, including through an informal value transfer banking system or network of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system;''.

(b) MONEY TRANSMITTING BUSINESS.—Section 5330(d)(1)(A) of title 31, United States Code, is amended by inserting before the semicolon the following: ''or any other person who engages as a business in the transmission of funds, including through an informal value transfer banking system or network of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system''.

(c) APPLICABILITY OF RULES.—Section 5318 of title 31, United States Code, as amended by this Act, is amended by adding at the end the following:

''(l) APPLICABILITY OF RULES.—Any rules prescribed pursuant to the authority contained in section 21 of the Federal Deposit Insurance Act shall apply, in addition to any other financial institution to which such rules apply, to any person that engages as a business in the transmission of funds, including through an informal value transfer banking system or network of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system.''.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury shall report to Congress on the need for any additional legislation relating to—

(1) informal value transfer banking systems or networks of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system;

(2) anti-money laundering controls; and

(3) regulatory controls relating to underground money movement and banking systems, such as the system referred to as ''hawala'', including whether the threshold for the filing of suspicious activity reports under section 5318(g) of title 31, United States Code should be lowered in the case of such systems.

SEC. 122. UNIFORM PROTECTION AUTHORITY FOR FEDERAL RESERVE FACILITIES.

Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by adding at the end the following:

''(q) UNIFORM PROTECTION AUTHORITY FOR FEDERAL RESERVE FACILITIES.—

''(1) Notwithstanding any other provision of law, to authorize personnel to act as law enforcement officers to protect and safeguard the premises, grounds, property, personnel, including members of the Board, of the Board, or any Federal reserve bank, and operations conducted by or on behalf of the Board or a reserve bank.

''(2) The Board may, subject to the regulations prescribed under paragraph (5), delegate authority to a Federal reserve bank to authorize personnel to act as law enforcement officers to protect and safeguard the bank's premises, grounds, property, personnel, and operations conducted by or on behalf of the bank.

''(3) Law enforcement officers designated or authorized by the Board or a reserve bank under paragraph (1) or (2) are authorized while on duty to carry firearms and make arrests without warrants for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States committed or being committed within the buildings and grounds of the Board or a reserve bank if they have reasonable grounds to believe that the person to be arrested has committed or is committing such a felony. Such officers shall have access to law enforcement information that may be necessary for the protection of the property or personnel of the Board or a reserve bank.

''(4) For purposes of this subsection, the term 'law enforcement officers' means personnel who have successfully completed law enforcement training and are authorized to carry firearms and make arrests pursuant to this subsection.

''(5) The law enforcement authorities provided for in this subsection may be exercised only pursuant to regulations prescribed by the Board and approved by the Attorney General.''.

SEC. 123. REPORTS RELATING TO COINS AND CURRENCY RECEIVED IN NONFINANCIAL TRADE OR BUSINESS.

(a) REPORTS REQUIRED.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5332 (as added by section 112 of this title) the following new section:

''SEC. 5333. REPORTS RELATING TO COINS AND CURRENCY RECEIVED IN NONFINANCIAL TRADE OR BUSINESS.

''(a) COIN AND CURRENCY RECEIPTS OF MORE THAN $10,000.—Any person—

''(1) who is engaged in a trade or business; and

''(2) who, in the course of such trade or business, receives more than $10,000 in coins or currency in 1 transaction (or 2 or more related transactions),

shall file a report described in subsection (b) with respect to such transaction (or related transactions) with the Financial Crimes Enforcement Network at such time and in such manner as the Secretary may, by regulation, prescribe.

''(b) FORM AND MANNER OF REPORTS.—A report is described in this subsection if such report—

''(1) is in such form as the Secretary may prescribe;

''(2) contains—

''(A) the name and address, and such other identification information as the Secretary may require, of the person from whom the coins or currency was received;

''(B) the amount of coins or currency received;

''(C) the date and nature of the transaction; and

''(D) such other information, including the identification of the person filing the report, as the Secretary may prescribe.

''(c) EXCEPTIONS.—

''(1) AMOUNTS RECEIVED BY FINANCIAL INSTITUTIONS.—Subsection (a) shall not apply to amounts received in a transaction reported under section 5313 and regulations prescribed under such section.

''(2) TRANSACTIONS OCCURRING OUTSIDE THE UNITED STATES.—Except to the extent provided in regulations prescribed by the Secretary, subsection (a) shall not apply to any transaction if the entire transaction occurs outside the United States.

''(d) CURRENCY INCLUDES FOREIGN CURRENCY AND CERTAIN MONETARY INSTRUMENTS.—

''(1) IN GENERAL.—For purposes of this section, the term 'currency' includes—

''(A) foreign currency; and

''(B) to the extent provided in regulations prescribed by the Secretary, any monetary instrument (whether or not in bearer form) with a face amount of not more than $10,000.

''(2) SCOPE OF APPLICATION.—Paragraph (1)(B) shall not apply to any check drawn on the account of the writer in a financial institution referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), (J), (K), (R), or (S) of section 5312(a)(2).''.

(b) PROHIBITION ON STRUCTURING TRANSACTIONS.—

(1) IN GENERAL.—Section 5324 of title 31, United States Code, is amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

''(b) DOMESTIC COIN AND CURRENCY TRANSACTIONS INVOLVING NONFINANCIAL TRADES OR BUSINESSES.—No person shall for the purpose of evading the report requirements of section 5333 or any regulation prescribed under such section—

''(1) cause or attempt to cause a nonfinancial trade or business to fail to file a report required under section 5333 or any regulation prescribed under such section;

''(2) cause or attempt to cause a nonfinancial trade or business to file a report required under section 5333 or any regulation prescribed under such section that contains a material omission or misstatement of fact; or

''(3) structure or assist in structuring, or attempt to structure or assist in structuring, any transaction with 1 or more nonfinancial trades or businesses.'.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) The heading for subsection (a) of section 5324 of title 31, United States Code, is amended by inserting ''INVOLVING FINANCIAL INSTITUTIONS'' after ''TRANSACTIONS'.

(B) Section 5317(c) of title 31, United States Code, is amended by striking ''5324(b)'' and inserting ''5324(c)''.

(c) DEFINITION OF NONFINANCIAL TRADE OR BUSINESS.—

(1) IN GENERAL.—Section 5312(a) of title 31, United States Code, is amended—

(A) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(B) by inserting after paragraph (3) the following new paragraph:

''(4) NONFINANCIAL TRADE OR BUSINESS.—The term 'nonfinancial trade or business' means any trade or business other than a financial institution that is subject to the reporting requirements of section 5313 and regulations prescribed under such section.''.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Section 5312(a)(3)(C) of title 31, United States Code, is amended by striking ''section 5316,'' and inserting ''sections 5333 and 5316,''.

(B) Subsections (a) through (f) of section 5318 of title 31, United States Code, and sections 5321, 5326, and 5328 of such title are each amended—

(i) by inserting ''or nonfinancial trade or business'' after ''financial institution'' each place such term appears; and

(ii) by inserting ''or nonfinancial trades or businesses'' after ''financial institutions'' each place such term appears.

(C) Section 981(a)(1)(A) of title 18, United States Code, is amended by striking ''5313(a) or 5324(a) of title 31,'' and inserting ''5313(a) or 5333 of title 31, or subsection (a) or (b) of section 5324 of such title,''.

(D) Section 982(a)(1) of title 18, United States Code, is amended by inserting ''5333,'' after ''5313(a),''.

(c) CLERICAL AMENDMENT.—The tables of sections for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5332 (as added by section 112 of this title) the following new item:

''5333. Reports relating to coins and currency received in nonfinancial trade or business.''.

(f) REGULATIONS.—Regulations which the Secretary of the Treasury determines are

necessary to implement this section shall be published in final form before the end of the 6-month period beginning on the date of the enactment of this Act.

TITLE II—PUBLIC-PRIVATE COOPERATION

SEC. 201. ESTABLISHMENT OF HIGHLY SECURE NETWORK.

(a) IN GENERAL.—The Secretary of the Treasury shall establish a highly secure network in the Financial Crimes Enforcement Network that—

(1) allows financial institutions to file reports required under subchapter II or III of chapter 53 of title 31, United States Code, chapter 2 of title I of Public Law 91–508, or section 21 of the Federal Deposit Insurance Act through the network; and

(2) provides financial institutions with alerts and other information regarding suspicious activities that warrant immediate and enhanced scrutiny.

(b) EXPEDITED DEVELOPMENT.—The Secretary of the Treasury shall take such action as may be necessary to ensure that the website required under subsection (a) is fully operational before the end of the 9-month period beginning on the date of the enactment of this Act.

SEC. 202. REPORT ON IMPROVEMENTS IN DATA ACCESS AND OTHER ISSUES.

Before the end of the 6-month period beginning on the date of the enactment of this Act, the Secretary of the Treasury, after consulting with appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act), shall report to the Congress on the following issues:

(1) DATA COLLECTION AND ANALYSIS.—Progress made since such date of enactment in meeting the requirements of section 310(c) of title 31, United States Code (as added by this Act).

(2) BARRIERS TO EXCHANGE OF FINANCIAL CRIME INFORMATION.—Technical, legal, and other barriers to the exchange of financial crime prevention and detection information among and between Federal law enforcement agencies, including an identification of all Federal law enforcement data systems between which or among which data cannot be shared for whatever reason.

(3) PRIVATE BANKING.—Private banking activities in the United States, including information on the following:

(A) The nature and extent of private banking activities in the United States.

(B) Regulatory efforts to monitor private banking activities and ensure that such activities are conducted in compliance with subchapter II of chapter 53 of title 31, United States Code, and section 21 of the Federal Deposit Insurance Act.

(C) With regard to financial institutions that offer private banking services, the policies and procedures of such institutions that are designed to ensure compliance with the requirements of subchapter II of chapter 53 of title 31, United States Code, and section 21 of the Federal Deposit Insurance Act with respect to private banking activity.

SEC. 203. REPORTS TO THE FINANCIAL SERVICES INDUSTRY ON SUSPICIOUS FINANCIAL ACTIVITIES.

At least once each calendar quarter, the Secretary of the Treasury shall—

(1) publish a report containing a detailed analysis identifying patterns of suspicious activity and other investigative insights derived from suspicious activity reports and investigations conducted by Federal, State, and local law enforcement agencies to the extent appropriate; and

(2) distribute such report to financial institutions (as defined in section 5312 of title 31, United States Code).

SEC. 204. EFFICIENT USE OF CURRENCY TRANSACTION REPORT SYSTEM.

(a) FINDINGS.—The Congress finds the following:

(1) The Congress established the currency transaction reporting requirements in 1970 because the Congress found then that such reports have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings and the usefulness of such reports has only increased in the years since the requirements were established.

(2) In 1994, in response to reports and testimony that excess amounts of currency transaction reports were interfering with effective law enforcement, the Congress reformed the currency transaction report exemption requirements to provide—

(A) mandatory exemptions for certain reports that had little usefulness for law enforcement, such as cash transfers between depository institutions and cash deposits from government agencies; and

(B) discretionary authority for the Secretary of the Treasury to provide exemptions, subject to criteria and guidelines established by the Secretary, for financial institutions with regard to regular business customers that maintain accounts at an institution into which frequent cash deposits are made.

(3) Today there is evidence that some financial institutions are not utilizing the exemption system, or are filing reports even if there is an exemption in effect, with the result that the volume of currency transaction reports is once again interfering with effective law enforcement.

(b) STUDY AND REPORT.—

(1) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study of—

(A) the possible expansion of the statutory exemption system in effect under 5313 of title 31, United States Code; and

(B) methods for improving financial institution utilization of the statutory exemption provisions as a way of reducing the submission of currency transaction reports that have little or no value for law enforcement purposes, including improvements in the systems in effect at financial institutions for regular review of the exemption procedures used at the institution and the training of personnel in its effective use.

(2) REPORT REQUIRED.—The Secretary of the Treasury shall submit a report to the Congress before the end of the 90-day period beginning on the date of the enactment of this Act containing the findings and conclusions of the Secretary with regard to the study required under subsection (a) and such recommendations for legislative or administrative action as the Secretary determines to be appropriate.

SEC. 205. PUBLIC-PRIVATE TASK FORCE ON TERRORIST FINANCING ISSUES.

Section 1564 of the Annunzio—Wylie Anti-Money Laundering Act (31 U.S.C. 5311 note) is amended by adding at the end the following new subsection:

''(d) TERRORIST FINANCING ISSUES.—

''(1) IN GENERAL.—The Secretary of the Treasury shall provide, either within the Bank Secrecy Act Advisory Group, or as a subcommittee or other adjunct of the Advisory Group, for a task force of representatives from agencies and officers represented on the Advisory Group, a representative of the Director of the Office of Homeland Security, and representatives of financial institutions, private organizations that represent the financial services industry, and other interested parties to focus on—

''(A) issues specifically related to the finances of terrorist groups, the means terrorist groups use to transfer funds around the world and within the United States, including through the use of charitable organizations, nonprofit organizations, and nongovernmental organizations, and the extent to which financial institutions in the United States are unwittingly involved in such finances and the extent to which such institutions are at risk as a result;

''(B) the relationship, particularly the financial relationship, between international narcotics traffickers and foreign terrorist organizations, the extent to which their memberships overlap and engage in joint activities, and the extent to which they cooperate with each other in raising and transferring funds for their respective purposes; and

''(C) means of facilitating the identification of accounts and transactions involving terrorist groups and facilitating the exchange of information concerning such accounts and transactions between financial institutions and law enforcement organizations.

''(2) APPLICABILITY OF OTHER PROVISIONS.—Sections 552, 552a, and 552b of title 5, United States Code, and the Federal Advisory Committee Act shall not apply to the task force established pursuant to paragraph (1).''.

SEC. 206. SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS.

(a) DEADLINE FOR SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS FOR REGISTERED BROKERS AND DEALERS.—The Secretary of the Treasury, in consultation with the Securities and Exchange Commission, shall publish proposed regulations in the Federal Register before January 1, 2002, requiring brokers and dealers registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 to submit suspicious activity reports under section 5318(g) of title 31, United States Code. Such regulations shall be published in final form no later than June 1, 2002.

(b) SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS FOR FUTURES COMMISSION MERCHANTS, COMMODITY TRADING ADVISORS, AND COMMODITY POOL OPERATORS.—The Secretary of the Treasury, in consultation with the Commodity Futures Trading Commission, may prescribe regulations requiring futures commission merchants, commodity trading advisors, and commodity pool operators registered under the Commodity Exchange Act to submit suspicious activity reports under section 5318(g) of title 31, United States Code.

SEC. 207. AMENDMENTS RELATING TO REPORTING OF SUSPICIOUS ACTIVITIES.

(a) AMENDMENT RELATING TO CIVIL LIABILITY IMMUNITY FOR DISCLOSURES.—Section 5318(g)(3) of title 31, United States Code, is amended to read as follows:

''(3) LIABILITY FOR DISCLOSURES.—

''(A) IN GENERAL.—Any financial institution that makes a voluntary disclosure of any possible violation of law or regulation to a government agency or makes a disclosure pursuant to this subsection or any other authority, and any director, officer, employee, or agent of such institution who makes, or requires another to make any such disclosure, shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to any person.

''(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as creating—

''(i) any inference that the term 'person', as used in such subparagraph, may be construed more broadly than its ordinary usage so to include any government or agency of government; or

''(ii) any immunity against, or otherwise affecting, any civil or criminal action brought by any government or agency of government to enforce any constitution, law, or regulation of such government or agency.''.

(b) PROHIBITION ON NOTIFICATION OF DISCLOSURES.—Section 5318(g)(2) of title 31, United States Code, is amended to read as follows:

''(2) NOTIFICATION PROHIBITED.—

''(A) IN GENERAL.—If a financial institution or any director, officer, employee, or agent of any financial institution, voluntarily or pursuant to this section or any other authority, reports a suspicious transaction to a government agency—

''(i) the financial institution, director, officer, employee, or agent may not notify any person involved in the transaction that the transaction has been reported; and

''(ii) no officer or employee of the Federal Government or of any State, local, tribal, or territorial government within the United States, who has any knowledge that such report was made may disclose to any person involved in the transaction that the transaction has been reported other than as necessary to fulfill the official duties of such officer or employee.

''(B) DISCLOSURES IN CERTAIN EMPLOYMENT REFERENCES.—Notwithstanding the application of subparagraph (A) in any other context, subparagraph (A) shall not be construed as prohibiting any financial institution, or any director, officer, employee, or agent of such institution, from including, in a written employment reference that is provided in accordance with section 18(v) of the Federal Deposit Insurance Act in response to a request from another financial institution or a written termination notice or employment reference that is provided in accordance with the rules of the self-regulatory organizations registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission, information that was included in a report to which subparagraph (A) applies, but such written employment reference may not disclose that such information was also included in any such report or that such report was made.''.

SEC. 208. AUTHORIZATION TO INCLUDE SUSPICIONS OF ILLEGAL ACTIVITY IN WRITTEN EMPLOYMENT REFERENCES.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

''(w) WRITTEN EMPLOYMENT REFERENCES MAY CONTAIN SUSPICIONS OF INVOLVEMENT IN ILLEGAL ACTIVITY.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, any insured depository institution, and any director, officer, employee, or agent of such institution, may disclose in any written employment reference relating to a current or former institution-affiliated party of such institution which is provided to another insured depository institution in response to a request from such other institution, information concerning the possible involvement of such institution-affiliated party in potentially unlawful activity, to the extent—

''(A) the disclosure does not contain information which the institution, director, officer, employee, or agent knows to be false; and

''(B) the institution, director, officer, employee, or agent has not acted with malice or with reckless disregard for the truth in making the disclosure.

''(2) DEFINITION.—For purposes of this subsection, the term 'insured depository institution' includes any uninsured branch or agency of a foreign bank.''.

SEC. 209. INTERNATIONAL COOPERATION ON IDENTIFICATION OF ORIGINATORS OF WIRE TRANSFERS.

The Secretary of the Treasury shall—

(1) in consultation with the Attorney General and the Secretary of State, take all reasonable steps to encourage foreign governments to require the inclusion of the name of the originator in wire transfer instructions sent to the United States and other countries, with the information to remain with the transfer from its origination until the point of disbursement; and

(2) report annually to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on—

(A) progress toward the goal enumerated in paragraph (1), as well as impediments to implementation and an estimated compliance rate; and

(B) impediments to instituting a regime in which all appropriate identification, as defined by the Secretary, about wire transfer recipients shall be included with wire transfers from their point of origination until disbursement.

SEC. 210. CHECK TRUNCATION STUDY.

Before the end of the 180-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Attorney General and the Board of Governors of the Federal Reserve System, shall conduct a study of the impact on—

(1) crime prevention (including money laundering and terrorism);

(2) law enforcement;

(3) the financial services industry (including the technical, operational, and economic impact on the industry) and customers of such industry;

(4) the payment system (including the liquidity, stability, and efficiency of the payment system and the ability to monitor and access the flow of funds); and

(5) the consumer protection laws,

of any policy of the Board of Governors of the Federal Reserve System relating to the promotion of check electronification, through truncation or other means, or migration away from paper checks. The study shall also include an analysis of the benefits and burdens of promoting check electronification on the foregoing entities.

TITLE III—COMBATTING INTERNATIONAL MONEY LAUNDERING

SEC. 301. SPECIAL MEASURES FOR JURISDICTIONS, FINANCIAL INSTITUTIONS, OR INTERNATIONAL TRANSACTIONS OF PRIMARY MONEY LAUNDERING CONCERN.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5318 the following new section:

''§ 5318A. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern

''(a) INTERNATIONAL COUNTER-MONEY LAUNDERING REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary may require domestic financial institutions and domestic financial agencies to take 1 or more of the special measures described in subsection (b) if the Secretary finds that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern, in accordance with subsection (c).

''(2) FORM OF REQUIREMENT.—The special measures described in—

''(A) subsection (b) may be imposed in such sequence or combination as the Secretary shall determine;

''(B) paragraphs (1) through (4) of subsection (b) may be imposed by regulation, order, or otherwise as permitted by law; and

''(C) subsection (b)(5) may be imposed only by regulation.

''(3) DURATION OF ORDERS; RULEMAKING.—Any order by which a special measure described in paragraphs (1) through (4) of subsection (b) is imposed (other than an order described in section 5326)—

''(A) shall be issued together with a notice of proposed rulemaking relating to the imposition of such special measure; and

''(B) may not remain in effect for more than 120 days, except pursuant to a regulation prescribed on or before the end of the 120-day period beginning on the date of issuance of such order.

''(4) PROCESS FOR SELECTING SPECIAL MEASURES.—In selecting which special measure or measures to take under this subsection, the Secretary—

''(A) shall consult with the Chairman of the Board of Governors of the Federal Reserve System, any other appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act), the Secretary of State, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the National Credit Union Administration Board, and in the sole discretion of the Secretary such other agencies and interested parties as the Secretary may find to be appropriate; and

''(B) shall consider—

''(i) whether similar action has been or is being taken by other nations or multilateral groups;

''(ii) whether the imposition of any particular special measure would create a significant competitive disadvantage, including any undue cost or burden associated with compliance, for financial institutions organized or licensed in the United States;

''(iii) the extent to which the action or the timing of the action would have a significant adverse systemic impact on the international payment, clearance, and settlement system, or on legitimate business activities involving the particular jurisdiction, institution, or class of transactions; and

''(iv) the effect on national security and foreign policy.

''(5) NO LIMITATION ON OTHER AUTHORITY.—This section shall not be construed as superseding or otherwise restricting any other authority granted to the Secretary, or to any other agency, by this subchapter or otherwise.

''(b) SPECIAL MEASURES.—The special measures referred to in subsection (a), with respect to a jurisdiction outside of the United States, financial institution operating outside of the United States, class of transaction within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts are as follows:

''(1) RECORDKEEPING AND REPORTING OF CERTAIN FINANCIAL TRANSACTIONS.—

''(A) IN GENERAL.—The Secretary may require any domestic financial institution or domestic financial agency to maintain records, file reports, or both, concerning the aggregate amount of transactions, or concerning each transaction, with respect to a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, or class of

transactions to be of primary money laundering concern.

''(B) FORM OF RECORDS AND REPORTS.—Such records and reports shall be made and retained at such time, in such manner, and for such period of time, as the Secretary shall determine, and shall include such information as the Secretary may determine, including—

''(i) the identity and address of the participants in a transaction or relationship, including the identity of the originator of any funds transfer;

''(ii) the legal capacity in which a participant in any transaction is acting;

''(iii) the identity of the beneficial owner of the funds involved in any transaction, in accordance with such procedures as the Secretary determines to be reasonable and practicable to obtain and retain the information; and

''(iv) a description of any transaction.

''(2) INFORMATION RELATING TO BENEFICIAL OWNERSHIP.—In addition to any other requirement under any other provision of law, the Secretary may require any domestic financial institution or domestic financial agency to take such steps as the Secretary may determine to be reasonable and practicable to obtain and retain information concerning the beneficial ownership of any account opened or maintained in the United States by a foreign person (other than a foreign entity whose shares are subject to public reporting requirements or are listed and traded on a regulated exchange or trading market), or a representative of such a foreign person, that involves a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, transaction, or account to be of primary money laundering concern.

''(3) INFORMATION RELATING TO CERTAIN PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a payable-through account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a payable through account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

''(A) to identify each customer (and representative of such customer) of such financial institution who is permitted to use, or whose transactions are routed through, such payable-through account; and

''(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

''(4) INFORMATION RELATING TO CERTAIN CORRESPONDENT ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a correspondent account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a correspondent account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

''(A) to identify each customer (and representative of such customer) of any such financial institution who is permitted to use, or whose transactions are routed through, such correspondent account; and

''(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

''(5) PROHIBITIONS OR CONDITIONS ON OPENING OR MAINTAINING CERTAIN CORRESPONDENT OR PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary, in consultation with the Secretary of State, the Attorney General, and the Chairman of the Board of Governors of the Federal Reserve System, may prohibit, or impose conditions upon, the opening or maintaining in the United States of a correspondent account or payable-through account by any domestic financial institution or domestic financial agency for or on behalf of a foreign banking institution, if such correspondent account or payable-through account involves any such jurisdiction or institution, or if any such transaction may be conducted through such correspondent account or payable-through account.

''(c) CONSULTATIONS AND INFORMATION TO BE CONSIDERED IN FINDING JURISDICTIONS, INSTITUTIONS, TYPES OF ACCOUNTS, OR TRANSACTIONS TO BE OF PRIMARY MONEY LAUNDERING CONCERN.—

''(1) IN GENERAL.—In making a finding that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern so as to authorize the Secretary to take 1 or more of the special measures described in subsection (b), the Secretary shall consult with the Secretary of State, and the Attorney General.

''(2) ADDITIONAL CONSIDERATIONS.—In making a finding described in paragraph (1), the Secretary shall consider in addition such information as the Secretary determines to be relevant, including the following potentially relevant factors:

''(A) JURISDICTIONAL FACTORS.—In the case of a particular jurisdiction—

''(i) evidence that organized criminal groups, international terrorists, or both, have transacted business in that jurisdiction;

''(ii) the extent to which that jurisdiction or financial institutions operating in that jurisdiction offer bank secrecy or special regulatory advantages to nonresidents or nondomiciliaries of that jurisdiction;

''(iii) the substance and quality of administration of the bank supervisory and countermoney laundering laws of that jurisdiction;

''(iv) the relationship between the volume of financial transactions occurring in that jurisdiction and the size of the economy of the jurisdiction;

''(v) the extent to which that jurisdiction is characterized as an offshore banking or secrecy haven by credible international organizations or multilateral expert groups;

''(vi) whether the United States has a mutual legal assistance treaty with that jurisdiction, and the experience of United States law enforcement officials, and regulatory officials in obtaining information about transactions originating in or routed through or to such jurisdiction; and

''(vii) the extent to which that jurisdiction is characterized by high levels of official or institutional corruption.

''(B) INSTITUTIONAL FACTORS.—In the case of a decision to apply 1 or more of the special measures described in subsection (b) only to a financial institution or institutions, or to a transaction or class of transactions, or to a type of account, or to all 3, within or involving a particular jurisdiction—

''(i) the extent to which such financial institutions, transactions, or types of accounts are used to facilitate or promote money laundering in or through the jurisdiction;

''(ii) the extent to which such institutions, transactions, or types of accounts are used for legitimate business purposes in the jurisdiction; and

''(iii) the extent to which such action is sufficient to ensure, with respect to transactions involving the jurisdiction and institutions operating in the jurisdiction, that the purposes of this subchapter continue to be fulfilled, and to guard against international money laundering and other financial crimes.

''(d) NOTIFICATION OF SPECIAL MEASURES INVOKED BY THE SECRETARY.—Not later than 10 days after the date of any action taken by the Secretary under subsection (a)(1), the Secretary shall notify, in writing, the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of any such action.

''(e) DEFINITIONS.—Notwithstanding any other provision of this subchapter, for purposes of this section, the following definitions shall apply:

''(1) BANK DEFINITIONS.—The following definitions shall apply with respect to a bank:

''(A) ACCOUNT.—The term 'account'—

''(i) means a formal banking or business relationship established to provide regular services, dealings, and other financial transactions; and

''(ii) includes a demand deposit, savings deposit, or other transaction or asset account and a credit account or other extension of credit.

''(B) CORRESPONDENT ACCOUNT.—The term 'correspondent account' means an account established to receive deposits from, make payments on behalf of a foreign financial institution, or handle other financial transactions related to such institution.

''(C) PAYABLE-THROUGH ACCOUNT.—The term 'payable-through account' means an account, including a transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act), opened at a depository institution by a foreign financial institution by means of which the foreign financial institution permits its customers to engage, either directly or through a subaccount, in banking activities usual in connection with the business of banking in the United States.

''(D) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

''(2) DEFINITIONS APPLICABLE TO INSTITUTIONS OTHER THAN BANKS.—With respect to any financial institution other than a bank, the Secretary shall, after consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act), define by regulation the term 'account', and shall include

within the meaning of that term, to the extent, if any, that the Secretary deems appropriate, arrangements similar to payable-through and correspondent accounts.

''(3) REGULATORY DEFINITION.—The Secretary shall prescribe regulations defining beneficial ownership of an account for purposes of this subchapter. Such regulations shall address issues related to an individual's authority to fund, direct, or manage the account (including the power to direct payments into or out of the account), and an individual's material interest in the income or corpus of the account, and shall ensure that the identification of individuals under this section does not extend to any individual whose beneficial interest in the income or corpus of the account is immaterial.

''(4) OTHER TERMS.—The Secretary may, by regulation, further define the terms in paragraphs (1) and (2) and define other terms for the purposes of this section, as the Secretary deems appropriate.''.

(b) FINANCIAL INSTITUTIONS SPECIFIED IN SUBCHAPTER II OF CHAPTER 53 OF TITLE 31, UNITED STATES CODE.—

(1) CREDIT UNIONS.—Subparagraph (E) of section 5312(2) of title 31, United States Code, is amended to read as follows:

''(E) any credit union;''.

(2) FUTURES COMMISSION MERCHANT; COMMODITY TRADING ADVISOR; COMMODITY POOL OPERATOR.—Section 5312 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(c) ADDITIONAL DEFINITIONS.—For purposes of this subchapter, the following definitions shall apply:

''(1) CERTAIN INSTITUTIONS INCLUDED IN DEFINITION.—The term 'financial institution' (as defined in subsection (a)) includes the following:

''(A) Any futures commission merchant, commodity trading advisor, or commodity pool operator registered, or required to register, under the Commodity Exchange Act.''.

(3) CFTC INCLUDED.—For purposes of this Act and any amendment made by this Act to any other provision of law, the term ''Federal functional regulator'' includes the Commodity Futures Trading Commission.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5318 the following new item:

''5318A. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.''.

SEC. 302. SPECIAL DUE DILIGENCE FOR CORRESPONDENT ACCOUNTS AND PRIVATE BANKING ACCOUNTS.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, is amended by inserting after subsection (i) (as added by section 119 of this Act) the following new subsection:

''(j) DUE DILIGENCE FOR UNITED STATES PRIVATE BANKING AND CORRESPONDENT BANK ACCOUNTS INVOLVING FOREIGN PERSONS.—

''(1) IN GENERAL.—Each financial institution that establishes, maintains, administers, or manages a private banking account or a correspondent account in the United States for a non-United States person, including a foreign individual visiting the United States, or a representative of a non-United States person, shall establish appropriate, specific, and, where necessary, enhanced due diligence policies, procedures, and controls to detect and report instances of money laundering through those accounts.

''(2) SPECIAL STANDARDS FOR CERTAIN CORRESPONDENT ACCOUNTS.—

''(A) IN GENERAL.—Subparagraph (B) shall apply if a correspondent account is requested or maintained by, or on behalf of, a foreign bank operating—

''(i) under an offshore banking license; or

''(ii) under a banking license issued by a foreign country that has been designated—

''(I) as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member with which designation the Secretary of the Treasury concurs; or

''(II) by the Secretary as warranting special measures due to money laundering concerns.

''(B) POLICIES, PROCEDURES, AND CONTROLS.—The enhanced due diligence policies, procedures, and controls required under paragraph (1) for foreign banks described in subparagraph (A) shall, at a minimum, ensure that the financial institution in the United States takes reasonable steps—

''(i) to ascertain for any such foreign bank, the shares of which are not publicly traded, the identity of each of the owners of the foreign bank, and the nature and extent of the ownership interest of each such owner;

''(ii) to conduct enhanced scrutiny of such account to guard against money laundering and report any suspicious transactions under section 5318(g); and

''(iii) to ascertain whether such foreign bank provides correspondent accounts to other foreign banks and, if so, the identity of those foreign banks and related due diligence information, as appropriate under paragraph (1).

''(3) MINIMUM STANDARDS FOR PRIVATE BANKING ACCOUNTS.—If a private banking account is requested or maintained by, or on behalf of, a non-United States person, then the due diligence policies, procedures, and controls required under paragraph (1) shall, at a minimum, ensure that the financial institution takes reasonable steps—

''(A) to ascertain the identity of the nominal and beneficial owners of, and the source of funds deposited into, such account as needed to guard against money laundering and report any suspicious transactions under section 5318(g); and

''(B) to conduct enhanced scrutiny of any such account that is requested or maintained by, or on behalf of, a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, to prevent, detect, and report transactions that may involve the proceeds of foreign corruption.

''(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) OFFSHORE BANKING LICENSE.—The term 'offshore banking license' means a license to conduct banking activities which, as a condition of the license, prohibits the licensed entity from conducting banking activities with the citizens of, or with the local currency of, the country which issued the license.

''(B) PRIVATE BANK ACCOUNT.—The term 'private bank account' means an account (or any combination of accounts) that—

''(i) requires a minimum aggregate deposits of funds or other assets of not less than $1,000,000;

''(ii) is established on behalf of 1 or more individuals who have a direct or beneficial ownership interest in the account; and

''(iii) is assigned to, or is administered or managed by, in whole or in part, an officer, employee, or agent of a financial institution acting as a liaison between the financial institution and the direct or beneficial owner of the account.

''(5) REGULATORY AUTHORITY.—Before the end of the 6-month period beginning on the date of the enactment of the Financial Anti-Terrorism Act of 2001, the Secretary, in consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act) shall further define and clarify, by regulation, the requirements of this subsection.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect beginning 180 days after the date of the enactment of this Act with respect to accounts covered by subsection (j) of section 5318 of title 31, United States Code (as added by this section) that are opened before, on, or after the date of the enactment of this Act.

SEC. 303. PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.

Section 5318 of title 31, United States Code, is amended by inserting after subsection (j) (as added by section 302 of this title) the following new subsection:

''(k) PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.—

''(1) IN GENERAL.—A depository institution shall not establish, maintain, administer, or manage a correspondent account in the United States for, or on behalf of, a foreign bank that does not have a physical presence in any country.

''(2) PREVENTION OF INDIRECT SERVICE TO FOREIGN SHELL BANKS.—

''(A) IN GENERAL.—A depository institution shall take reasonable steps to ensure that any correspondent account established, maintained, administered, or managed by that institution in the United States for a foreign bank is not being used by that foreign bank to indirectly provide banking services to another foreign bank that does not have a physical presence in any country.

''(B) REGULATIONS.—The Secretary shall, in regulations, delineate reasonable steps necessary for a depository institution to comply with this subsection.

''(3) EXCEPTION.—Paragraphs (1) and (2) shall not be construed as prohibiting a depository institution from providing a correspondent account to a foreign bank, if the foreign bank—

''(A) is an affiliate of a depository institution, credit union, or other foreign bank that maintains a physical presence in the United States or a foreign country, as applicable; and

''(B) is subject to supervision by a banking authority in the country regulating the affiliated depository institution, credit union, or foreign bank, described in subparagraph (A), as applicable.

''(4) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(A) AFFILIATE.—The term 'affiliate' means a foreign bank that is controlled by or is under common control with a depository institution, credit union, or foreign bank.

''(B) DEPOSITORY INSTITUTION.—The 'depository institution'—

''(i) has the meaning given such term in section 3 of the Federal Deposit Insurance Act; and

''(ii) includes a credit union.

''(C) PHYSICAL PRESENCE.—The term 'physical presence' means a place of business that—

''(i) is maintained by a foreign bank;

''(ii) is located at a fixed address (other than solely an electronic address) in a country in which the foreign bank is authorized to conduct banking activities, at which location the foreign bank—

''(I) employs 1 or more individuals on a full-time basis; and

''(II) maintains operating records related to its banking activities; and

''(iii) is subject to inspection by the banking authority which licensed the foreign bank to conduct banking activities.''.

SEC. 304. ANTI-MONEY LAUNDERING PROGRAMS.

(a) IN GENERAL.—Section 5318(h) of title 31, United States Code, is amended to read as follows:

''(h) ANTI-MONEY LAUNDERING PROGRAMS.—

''(1) IN GENERAL.—In order to guard against money laundering through financial institutions, each financial institution shall establish anti-money laundering programs, including, at a minimum—

''(A) the development of internal policies, procedures, and controls;

''(B) the designation of an officer of the financial institution responsible for compliance;

''(C) an ongoing employee training program; and

''(D) an independent audit function to test programs.

''(2) REGULATIONS.—The Secretary may, after consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act), prescribe minimum standards for programs established under paragraph (1), and may exempt from the application of those standards any financial institution that is not subject to the provisions of the regulations contained in part 103 of title 31, of the Code of Federal Regulations, as in effect on the date of the enactment of the Financial Anti-Terrorism Act of 2001, or any successor to such regulations, for so long as such financial institution is not subject to the provisions of such regulations.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect at the end of the 180-day period beginning on the date of the enactment of this Act.

(c) DATE OF APPLICATION OF REGULATIONS; FACTORS TO BE TAKEN INTO ACCOUNT.—Before the end of the 180-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall prescribe regulations to implement the amendment made by subsection (a). In prescribing such regulations, the Secretary shall consider the extent to which the requirements imposed under such regulations are commensurate with the size, location, and activities of the financial institutions to which such regulations apply.

SEC. 305. CONCENTRATION ACCOUNTS AT FINANCIAL INSTITUTIONS.

Section 5318(h) of title 31, United States Code (as amended by section 304) is amended by adding at the end the following:

''(3) CONCENTRATION ACCOUNTS.—The Secretary may prescribe regulations under this subsection that govern maintenance of concentration accounts by financial institutions, in order to ensure that such accounts are not used to prevent association of the identity of an individual customer with the movement of funds of which the customer is the direct or beneficial owner, which regulations shall, at a minimum—

''(A) prohibit financial institutions from allowing clients to direct transactions that move their funds into, out of, or through the concentration accounts of the financial institution;

''(B) prohibit financial institutions and their employees from informing customers of the existence of, or the means of identifying, the concentration accounts of the institution; and

''(C) require each financial institution to establish written procedures governing the documentation of all transactions involving a concentration account, which procedures shall ensure that, any time a transaction involving a concentration account commingles funds belonging to 1 or more customers, the identity of, and specific amount belonging to, each customer is documented.''.

SEC. 306. INTERNATIONAL COOPERATION IN INVESTIGATIONS OF MONEY LAUNDERING, FINANCIAL CRIMES, AND THE FINANCES OF TERRORIST GROUPS.

(a) NEGOTIATIONS.—

(1) IN GENERAL.—It is the sense of the Congress that, in addition to the existing requirements of section 4702 of the Anti-Drug Abuse Act of 1988, the President should direct the Secretary of State, the Attorney General, or the Secretary of the Treasury, as appropriate and in consultation with the Board of Governors of the Federal Reserve System, to seek to enter into negotiations with the appropriate financial supervisory agencies and other officials of any foreign country the financial institutions of which do business with United States financial institutions or which may be utilized by any foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act), any person who is a member or representative of any such organization, or any person engaged in money laundering or financial or other crimes.

(2) PURPOSES OF NEGOTIATIONS.—It is the sense of the Congress that, in carrying out any negotiations described in paragraph (1), the President should direct the Secretary of State, the Attorney General, or the Secretary of the Treasury, as appropriate, to seek to enter into and further cooperative efforts, voluntary information exchanges, the use of letters rogatory, mutual legal assistance treaties, and international agreements to—

(A) ensure that foreign banks and other financial institutions maintain adequate records of—

(i) large United States currency transactions; and

(ii) transaction and account information relating to any foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act), any person who is a member or representative of any such organization, or any person engaged in money laundering or financial or other crimes; and

(B) establish a mechanism whereby such records may be made available to United States law enforcement officials and domestic financial institution supervisors, when appropriate.

(b) REPORTS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act and annually thereafter, the Secretary of State, in conjunction with the Attorney General and the Secretary of the Treasury, shall submit a report to the Congress, on the progress in any negotiations described in subsection (a).

(2) IDENTIFICATION OF CERTAIN COUNTRIES.—In any report submitted under paragraph (1), the Secretary of State shall identify countries—

(A) with respect to which the Secretary determines there is evidence that the financial institutions in such countries are being utilized by any foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act), any person who is a member or representative of any such organization, or any person engaged in money laundering or financial or other crimes; and

(B) which have not reached agreement with United States authorities to meet the objectives of subparagraphs (A) and (B) of subsection (a)(2).

(3) REPORT ON PENALTIES AND SANCTIONS.—If the President determines that—

(A) a foreign country is described in subparagraphs (A) and (B) of paragraph (2); and

(B) such country—

(i) is not negotiating in good faith to reach an agreement described in subsection (a)(2); or

(ii) has not complied with, or a financial institution of such country has not complied with, a request, made by an official of the United States Government authorized to make such request, for information regarding a foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act), a person who is a member or representative of any such organization, or a person engaged in money laundering for or with any such organization,

and the President imposes any penalties or sanctions on such country or financial institutions of such country on the basis of such determination, the Secretary of State shall submit a report to the Congress describing the facts and circumstances of the case before the end of the 60-day period beginning on the date such sanctions and penalties take effect.

TITLE IV—CURRENCY PROTECTION

SEC. 401. COUNTERFEITING DOMESTIC CURRENCY AND OBLIGATIONS.

(a) COUNTERFEIT ACTS COMMITTED OUTSIDE THE UNITED STATES.—Section 470 of title 18, United States Code, is amended—

(1) in paragraph (2), by inserting ''analog, digital, or electronic image,'' after ''plate, stone,''; and

(2) by striking ''shall be fined under this title, imprisoned not more than 20 years, or both'' and inserting ''shall be punished as is provided for the like offense within the United States''.

(b) OBLIGATIONS OR SECURITIES OF THE UNITED STATES.—Section 471 of title 18, United States Code, is amended by striking ''fifteen years'' and inserting ''20 years''.

(c) UTTERING COUNTERFEIT OBLIGATIONS OR SECURITIES.—Section 472 of title 18, United States Code, is amended by striking ''fifteen years'' and inserting ''20 years''.

(d) DEALING IN COUNTERFEIT OBLIGATIONS OR SECURITIES.—Section 473 of title 18, United States Code, is amended by striking ''ten years'' and inserting ''20 years''.

(e) PLATES, STONES, OR ANALOG, DIGITAL, OR ELECTRONIC IMAGES FOR COUNTERFEITING OBLIGATIONS OR SECURITIES.—

(1) IN GENERAL.—Section 474(a) of title 18, United States Code, is amended by inserting after the second paragraph the following new paragraph:

''Whoever, with intent to defraud, makes, executes, acquires, scans, captures, records, receives, transmits, reproduces, sells, or has in such person's control, custody, or possession, an analog, digital, or electronic image of any obligation or other security of the United States; or''.

(2) AMENDMENT TO DEFINITION.—Section 474(b) of title 18, United States Code, is amended by striking the first sentence and inserting the following new sentence: ''For purposes of this section, the term 'analog, digital, or electronic image' includes any analog, digital, or electronic method used for the making, execution, acquisition, scanning, capturing, recording, retrieval, transmission, or reproduction of any obligation or security, unless such use is authorized by the Secretary of the Treasury.''.

(3) TECHNICAL AND CONFORMING AMENDMENT.—The heading for section 474 of title 18, United States Code, is amended by striking ''**or stones**'' and inserting ''**, stones, or analog, digital, or electronic images**''.

(4) CLERICAL AMENDMENT.—The table of sections for chapter 25 of title 18, United States Code, is amended in the item relating to section 474 by striking ''or stones'' and inserting '', stones, or analog, digital, or electronic images''.

(f) TAKING IMPRESSIONS OF TOOLS USED FOR OBLIGATIONS OR SECURITIES.—Section 476 of title 18, United States Code, is amended—

(1) by inserting ''analog, digital, or electronic image,'' after ''impression, stamp,''; and

(2) by striking ''ten years'' and inserting ''25 years''.

(g) POSSESSING OR SELLING IMPRESSIONS OF TOOLS USED FOR OBLIGATIONS OR SECURITIES.—Section 477 of title 18, United States Code, is amended—

(1) in the first paragraph, by inserting ''analog, digital, or electronic image,'' after ''imprint, stamp,'';

(2) in the second paragraph, by inserting ''analog, digital, or electronic image,'' after ''imprint, stamp,''; and

(3) in the third paragraph, by striking ''ten years'' and inserting ''25 years''.

(h) CONNECTING PARTS OF DIFFERENT NOTES.—Section 484 of title 18, United States Code, is amended by striking ''five years'' and inserting ''10 years''.

(i) BONDS AND OBLIGATIONS OF CERTAIN LENDING AGENCIES.—The first and second paragraphs of section 493 of title 18, United States Code, are each amended by striking ''five years'' and inserting ''10 years''.

SEC. 402. COUNTERFEITING FOREIGN CURRENCY AND OBLIGATIONS.

(a) FOREIGN OBLIGATIONS OR SECURITIES.—Section 478 of title 18, United States Code, is amended by striking ''five years'' and inserting ''20 years''.

(b) UTTERING COUNTERFEIT FOREIGN OBLIGATIONS OR SECURITIES.—Section 479 of title 18, United States Code, is amended by striking ''three years'' and inserting ''20 years''.

(c) POSSESSING COUNTERFEIT FOREIGN OBLIGATIONS OR SECURITIES.—Section 480 of title 18, United States Code, is amended by striking ''one year'' and inserting ''20 years''.

(d) PLATES, STONES, OR ANALOG, DIGITAL, OR ELECTRONIC IMAGES FOR COUNTERFEITING FOREIGN OBLIGATIONS OR SECURITIES.—

(1) IN GENERAL.—Section 481 of title 18, United States Code, is amended by inserting after the second paragraph the following new paragraph:

''Whoever, with intent to defraud, makes, executes, acquires, scans, captures, records, receives, transmits, reproduces, sells, or has in such person's control, custody, or possession, an analog, digital, or electronic image of any bond, certificate, obligation, or other security of any foreign government, or of any treasury note, bill, or promise to pay, lawfully issued by such foreign government and intended to circulate as money; or''.

(2) INCREASED SENTENCE.—The last paragraph of section 481 of title 18, United States Code, is amended by striking ''five years'' and inserting ''25 years''.

(3) TECHNICAL AND CONFORMING AMENDMENT.—The heading for section 481 of title 18, United States Code, is amended by striking ''**or stones**'' and inserting ''**, stones, or analog, digital, or electronic images**''.

(4) CLERICAL AMENDMENT.—The table of sections for chapter 25 of title 18, United States Code, is amended in the item relating to section 481 by striking ''or stones'' and inserting '', stones, or analog, digital, or electronic images''.

(e) FOREIGN BANK NOTES.—Section 482 of title 18, United States Code, is amended by striking ''two years'' and inserting ''20 years''.

(f) UTTERING COUNTERFEIT FOREIGN BANK NOTES.—Section 483 of title 18, United States Code, is amended by striking ''one year'' and inserting ''20 years''.

SEC. 403. PRODUCTION OF DOCUMENTS.

Section 5114(a) of title 31, United States Code (relating to engraving and printing currency and security documents), is amended—

(1) by striking ''(a) The Secretary of the Treasury'' and inserting:

''(a) AUTHORITY TO ENGRAVE AND PRINT.—

''(1) IN GENERAL.—The Secretary of the Treasury''; and

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

''(2) ENGRAVING AND PRINTING FOR OTHER GOVERNMENTS.—The Secretary of the Treasury may, if the Secretary determines that it will not interfere with engraving and printing needs of the United States, produce currency, postage stamps, and other security documents for foreign governments, subject to a determination by the Secretary of State that such production would be consistent with the foreign policy of the United States.''.

SEC. 404. REIMBURSEMENT.

Section 5143 of title 31, United States Code (relating to payment for services of the Bureau of Engraving and Printing), is amended—

(1) in the first sentence, by inserting '', any foreign government, or any territory of the United States'' after ''agency'';

(2) in the second sentence, by inserting ''and other'' after ''administrative''; and

(3) in the last sentence, by inserting '', foreign government, or territory of the United States'' after ''agency''.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3004 and to include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of H.R. 3004, the Financial Anti-terrorism Act of 2001. The Committee on Financial Services overwhelmingly approved this bill last week in a near unanimous vote of 62 to 1, signalling a strong consensus among Republicans and Democrats alike, administration officials, and the financial services industry, that the time for business as usual is far over.

There is little dissent among us. Strong anti-money laundering measures are needed and needed now. We recognize that failure to move swiftly could leave an open door to future attacks against U.S. citizens and refuse to stand idly by. This bill and the strong bipartisan support it enjoys represents a resounding pledge of congressional support for the President in fulfilling his vow to starve terrorists of their funding.

In the months since the devastating attacks of September 11, we have learned how easily the terrorists used American dollars and the world-class services of the American financial system to underwrite their deadly operations.

At our October 3 committee hearing, we heard testimony from Treasury undersecretary for enforcement, Jimmy Gurule, on how terrorist operatives from bin Laden's organization, al-Qaeda, utilized checks, credit cards, ATM cards, wire transfer systems and brokerage accounts throughout the world, including the U.S.

He testified that al-Qaeda uses banks, legal businesses, front companies, and underground financial systems to finance the organization's activities, and that some elements of the organization rely on profits from the drug trade.

He also pointed out how some Islamic charities have been penetrated and their fund-raising activities exploited by terrorists.

Another witness, Deputy Assistant Attorney General for the Justice Department's Criminal Division, Mary Lee Warren, warned that the United States is fighting with outdated weapons in the war against money laundering and flagged serious problems associated with international smuggling of bulk cash and wire transfers of funds that enable criminals in one country to conceal their funds in another.

Chief of the Financial Crimes Section of the FBI's Criminal Investigations Division, Dennis Lormel, echoed that concern when he testified how terrorists and other criminal organizations rely heavily upon wire transfers. He flagged correspondent banking as another potential in the financial services sector that can offer terrorist organizations a gateway into U.S. banks.

The private sector money laundering experts subsequently described in detail how underground black market banking operations, like the ancient South Asian Hawala money transfer system, are used by criminals to finance their operations.

Mr. Speaker, I applaud the efforts the administration has already taken to disrupt the financial infrastructure of international terrorist organizations. Those actions include the creation of a new foreign terrorist asset tracking center, the issuing of a strong executive order to block the financial assets of terrorists and their supporters, the passage by the United Nations of a U.S.-drafted resolution calling on all governments to freeze terrorist assets, and the immediate widespread mobilization of the U.S. financial services industry to assist in ferreting out the money trail of these terrorists.

To supplement these early initiatives, H.R. 3004 gives the administration new and improved tools to fight the financial war against terrorism. Here is how.

First, the bill significantly strengthens the hand of law enforcement by enhancing bulk cash smuggling laws, making it easier to prosecute illegal money service businesses, making the provision of material support to terrorists a predicate offense for money laundering, barring the entry of aliens suspected of money laundering, and strengthening procedures for obtaining foreign bank records relevant to terrorism or money laundering.

Second, the bill enhances private-public cooperation between Federal agencies and the financial services industry. The bill requires the creation of a private-public task force on terrorist financing, as well as the establishment of a secure website to accept reports from financial institutions about suspected terrorist activities, and to alert them to matters requiring immediate attention.

The bill also seeks to reduce the number of bank-filed reports where they are unnecessary for law enforcement, and requires Treasury to report regularly to industry on the utility of the reports that are being filed.

Third, in order to deal with international money laundering risks, including those associated with terrorism, the bill prohibits U.S. correspondent banking privileges for offshore shell banks, and authorizes the Secretary of the Treasury to take special measures if a foreign country, institution, or a particular type of transaction or account is deemed to be a primary money laundering concern.

In closing, let me simply say that this package is balanced and comprehensive. It reflects input from Members on both sides of the aisle, as well as from the White House, the Treasury Department, and the Justice Department.

I want to personally thank my good friend and ranking minority member, the gentleman from New York (Mr. LAFALCE), for his tireless efforts on this bill. I know he has been a leader on this bill over a number of years, and it has finally come to fruition, thanks to his cooperative efforts.

I urge my colleagues to give H.R. 3004 their full support and vote aye.

Mr. Speaker, I reserve the balance of my time.

□ 1030

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, the Financial Anti-Terrorism Act of 2001 provides a new array of weapons in the fight to disrupt the funding of criminals and international terrorist organizations. Our strong legislation was adopted by our Committee on Financial Services by a 62 to 1 vote.

The committee's product provides the President and the executive branch an array of new weapons to combat terrorist funding and money laundering. It largely reflects legislation that then chairman, the gentleman from Iowa (Mr. LEACH), and I worked on together during the last Congress, along with Stu Eizenstat, the Deputy Secretary of the Treasury, and which also passed our committee on a broad bipartisan basis in 2000, again with only one dissenting vote, the same individual dissenting in 2000 who dissented in 2001.

That legislation, like today's, was conceived in an effort to track and impede access to the funds on which criminals and terrorists rely to conduct their activity. Our medicine today is strong medicine, but it is fair medicine. It is balanced medicine, and the need for it is compelling. If we cannot take strong steps to impede the funding of terrorist activity in light of recent events, I do not know what incentive it would take.

Our antiterrorism package on which the House acted on Friday was a good package, and I strongly supported, but it was incomplete. It was incomplete because it did not contain today's vital provisions. It is imperative that today's bill be enacted as part of a comprehensive antiterrorism package to give the President the full range of tools he needs.

The legislation that the chairman, the gentleman from (Mr. OXLEY), and the vice chairwoman, the gentlewoman from New Jersey (Mrs. ROUKEMA), and I and so many others worked on is a balanced consensus product. It was developed through extensive bipartisan consultation with members of the committee, with members of other committees, with the administration, with the financial services industry, et cetera.

Reasonable accommodations were made by all sides to garner overwhelming bipartisan support that was achieved at last Thursday's committee markup and as recently as late last night. We will not win the fight against terrorism unless we cut off the funding of al-Qaeda and each and every other terrorist organization that exists in the world and we can do it.

The Financial Anti-Terrorism Act of 2001 provides weapons that are absolutely essential for our long-term war against terrorism. Failure to enact this legislation is not an option for either the House or the Senate or for America.

Let me say that I regret that, while the committee also included provisions last week with respect to illegal Internet gambling, they were dropped from this bill, but I understand that because that was problematic. It was filled with contentious issues that had not been adequately aired. It is not contained in the Senate bill. The administration opposed the language that the committee reported out on Internet gambling last week. I regret that but we still reported it out, and I look forward at the earliest possible moment of bringing that legislation to the floor of the House of Representatives separately and advancing it.

In the meantime, this administration has present laws on the books, and this Justice Department can interpret those laws on the books and enforce them both criminally and civilly very aggressively, and so I call on Attorney General John Ashcroft to pursue illegal Internet gambling much more aggressively in the future, not only to cut it off because of its troublesome impacts societally, but because according to the testimony of the FBI, it too is being used to launder clean money for dirty purposes and dirty money for transparent cosmetic purposes.

So pass today's bill and let us have the administration aggressively pursue existing law on Internet gambling and let the full House take up the Internet gambling provisions in the future in as expeditious a manner as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. OXLEY. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA), the vice-chairman of the committee.

Mrs. ROUKEMA. Mr. Speaker, I thank the Chair, and I want to associate myself with the statements of our chairman and our ranking member. They have properly outlined the benefits of this bill, and I also want to thank the chairman for his leadership in bringing this bill before the Congress.

As many of my colleagues know, former Congressman McCollum and I had a bill 2 years ago that very closely tracked this bill, and it was a proposal put forth by Attorney General Ashcroft more recently. There are essential elements in this bill that have been outlined here. They were able to be included. The due diligence for correspondent accounts, private banking accounts, requirements for financial institutions have anti-money laundering programs about the authorization of Treasury regulations governing the so-called concentration accounts.

These are essential provisions that I fully expect will be maintained in the Congress. Certainly we must do everything we can to assure that.

I would like to also say thanks to the gentleman from Ohio (Mr. OXLEY), and the bill that was passed in Committee on Financial Services, that there were provisions to make it a crime to smuggle more than 10,000 in currency in and out of the United States. Unfortunately, these provisions were among those that were removed from the bill, and in fact, in my opinion it was unwise and injudicious, if my colleagues get it, get the reference, because it was not our committee that removed them.

The point is finally, and I do not have too much time, the point is that this is important legislation. It would make a mockery of the anti-terrorist bill if we do not have, as I think the gentleman from New York (Mr. LAFALCE) alluded to, if we do not have strong money laundering legislation as a component of it. It would make a mockery of it and cripple law enforcement while protecting the terrorist money network.

I urge all of our colleagues, it may not be perfect, but it is essential legislation that we must support; and it is a significant step down the right track to cripple the terrorist network.

Mr. LAFALCE. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY), who has so personally experienced the terrorist attack and who also has been a multi-year advocate of the strongest possible money laundering legislation.

Mrs. MALONEY of New York. Mr. Speaker, I rise in strong support of the

bipartisan anti-money laundering legislation produced by the Committee on Financial Services.

As we move to pass comprehensive antiterror legislation, this work product, which was approved 62 to one, must be included in any legislation that the President signs. Since September 11, our Nation has dedicated its resources to fighting terrorism on all front. The brave men and women of our military are targeting the terrorists overseas. Our security agencies are working around the clock to seek out domestic threats, and our law enforcement apparatus is on the trail of the perpetrators in working to prevent future attacks.

This antimoney laundering legislation provides critically needed tools to help law enforcement in these efforts. Like any business, money is as important as oxygen to terrorists. This legislation aims to cut off their oxygen. And like any business, Terrorism, Inc., is out of business when they are out of money.

In the past, money laundering has been associated with drug cartels and criminal organizations that attempt to wash money that is the product of illegal enterprises. In fighting terrorism, we face a new challenge. In addition to stopping money that comes from illegal sources, we must stop money that comes from front charities, overseas businesses, and underground financial systems such as hawala. This bill targets all of these.

The sources of terror money are wide spread. The New York Times recently reported that al-Qaeda has gone so far as to use profits from Mid-East honey trading to fund terror. While it will never be possible to plan for every inevitability, this legislation greatly increases our ability to detect suspicious flows of money, no matter what their source. The legislation gives Treasury the authority to impose additional due diligence requirements on U.S. institutions when they conduct business with individuals or banks in weak money laundering enforcement countries.

In the past, terrorists such as Osama bin Laden have used accounts in the Sudan or other countries to set up correspondent accounts with U.S. banks and wire money to individuals in the United States. This provision directly targets such relationships.

The bill also criminalizes the concealments of $10,000 or more in currency to avoid reporting requirements. All the provisions of H.R. 3004 greatly increase cooperation between the private sector, the financial services regulators, and law enforcement. Communication and cooperation among these divergent interests is key to coordinating resources and cutting off terror money.

Global money laundering is an immense problem. The IMF has conservatively estimated that between $600 billion and $1.5 trillion is laundered annually worldwide. Working with our allies, the President has frozen terrorists assets around the world. This legislation gives our government additional tools to fight old and new laundering schemes.

Mr. Speaker, I applaud our Chair, our ranking member for their consistent and outstanding leadership in passing this bill and the gentleman from Iowa (Mr. LEACH), the former chairman.

Mr. OXLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I would first say with regard to the words that have been brought to us today that this is an important provision in law to bring a money laundering statute into being. Following the money is the most effective way of tracking criminal activity of a given nature. It also serves as a deterrent to crime.

When we first looked at this in the last several years, the main emphasis has been on narco-trafficking; but clearly with regard to terrorism, it is an important ingredient. But it is with some disappointment that I must say that I am amazed and startled to learn that the provision of the bill that relates to Internet gambling has been removed by leadership. And I would only as strongly as I can say that I consider this to be an affront to the committee. I also consider it to be an assault on basic judgment. I would hope that there would be a greater courage and greater will in this body on this issue of Internet gambling.

We are at one of the last moments if there is any hope whatsoever of trying to put a curb on something that is very destructive to the economy and very difficult for individual human beings. And a footnote to the Internet gambling issue is that gambling is one of the great techniques of laundering money. We have to put a footprint down now to stop this form of money laundering and stop the kinds of things that affect so many American individuals. A million Americans a day are now gambling on the Internet with over 600 casino sites with nobody having any idea what these casinos do with the credit card numbers that one gives to these illegal offshore entities.

This Congress has to show a little more backbone when a few interest groups stand up and say they object, when a few ideologues stand up and say they have concerns. The judgment is one that I think has got to be based on compassion and decency, and I hope we can do better.

Mr. LAFALCE. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, we know that this bill is not the silver bullet in our war against terrorism, but it is a vital tool for our law enforcement community. I want to thank the chairman and the ranking member for getting this good strong bill to the floor with such dispatch.

Mr. Speaker, September 11 we have learned a great deal about Osama bin Laden and the al-Qaeda terrorist network. We know that in addition to a complex global financial network, there are many, many sources of funds and a personal fortune of $300 million that Osama bin Laden has. Alarmingly, evidence suggests that organizations in the United States and abroad have cloaked themselves as charitable organizations to help funnel those funds to al-Qaeda.

The President has already frozen the assets of the Wafa Humanitarian Organization, the Al Rashid Trust, the Makhtab al-Khidamat, and most recently, the Society of Islamic Cooperation.

These were groups that were supposedly charitable organizations, but were mere conduits for raising money for the treacherous acts of September 11.

In committee, Mr. Speaker, I introduced an amendment that the chairman and the gentleman from New York (Mr. LAFALCE) were gracious enough to accept. It is an important measure. It simply tells the Treasury Department to scrutinize how terrorists use charitable non-profits and other groups to fund these activities.

□ 1045

If we are going to win the war on terrorism, we must fight it on every front. This is an important bill in that battle.

Mr. OXLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY), the chairman of the Subcommittee on Oversight and Investigations.

Mrs. KELLY. Mr. Speaker, I rise today in strong support of this act. This legislation takes substantive steps to combat how terrorists and drug traffickers move their money. One issue that has been given little attention in our war against terrorism is that the chief export of the Taliban is illegal drugs. Hence, efforts on both fronts have been essential in crafting this legislation.

One of my deepest concerns in our effort to dry up the funding sources for terrorist activities is how we can combat hawalas. This is an international underground economic system by which financial operators in different locations honor each other's financial obligations by making payments in a way which avoids taxes and tariffs. There is no movement of money between countries; hence no taxes and tariffs are paid. At best, there are very small traces of the transactions. This legislation takes the first important step to combat hawala by enforcing the law against unlicensed money transmitting businesses.

While there have long been laws on the books to ensure that money-transmitting businesses be licensed, these laws have been unenforceable due to court rulings which require knowledge

of the law and willful intent. In effect, the law is unenforceable. Section 103 of this legislation removes the standard and tightens up the law to ensure that law enforcement has the tools to go after the threat.

This legislation takes important steps to ensure that more financial institutions have in place antimoney laundering programs. But this is not a one-size-fits-all mandate; and size, location, and activities of a business are taken into account. This will ensure everyone, from the very large financial institutions, with billions in transactions every day, to small stores that offer wire transfers, has in place internal policies and procedures and controls to minimize their susceptibility to inadvertently assisting criminals.

We know the terrorists of September 11 were savvy and familiar with the law. We know that the terrorists used money orders and had bank accounts. We know the terrorists were careful not to do anything that would have attracted attention to themselves before they carried out their plans of terror, murder, and destruction. We must take steps to ensure that if future manipulations take place, law enforcement will be notified in time to prevent acts of cowardice.

The Financial Anti-terrorism Act takes these steps. I urge support of the bill.

Mr. LAFALCE. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from New York (Mr. LAFALCE) has 10½ minutes remaining, and the gentleman from Ohio (Mr. OXLEY) has 9 minutes remaining.

Mr. LAFALCE. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I want to thank the ranking member for yielding me this time, and I also want to thank our chairman and ranking member for bringing this bipartisan bill to the floor in such an expedited fashion. This important legislation will help crack down on terrorists using our financial services and having access to funds through money laundering.

While I am strongly supportive of this bill, I had intended to offer a very simple amendment that I hope can be included in conference which would require the Departments of Justice and Treasury to report to Congress on how the terrorists in the September 11 attacks acquired and used credit and debt cards.

We still do not know how the terrorists accessed the credit cards they used to rent cars, purchase airline tickets, and take other actions that facilitated the terrorist attacks. Did they steal other people's identity? Did financial institutions have the tools that they needed to do thorough checks before giving out these cards? We just do not know.

I would like to mention a quote from today's New York Post with reference to this issue. According to the New York Post, in an article today, and I quote, ''The most recent charge on one of the cards came 2 weeks ago, a full 3 weeks after the terrorist strike, a law enforcement official told the Post.''

We must take every step possible to shut down access to capital to the terrorists. Finding out how they got credit and debt cards is one of the important steps in this process. So I would like to thank my colleagues, our ranking member, the gentleman from New York (Mr. LAFALCE), and our chairman for this bill; and I ask them and suggest to them to include this provision in the conference committee.

Mr. OXLEY. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Speaker, I thank the chairman for yielding me this time and rise in support of the Financial Anti-terrorism Act. I appreciate how quickly and how wisely the chairman, the gentleman from Ohio (Mr. OXLEY), and the ranking member, the gentleman from New York (Mr. LAFALCE), moved on this subject.

Mr. Speaker, in this new war we fight new and unpredictable enemies, and we fight against weapons that are unconventional and at least initially unexpected. Our enemies seek to turn our own systems, financial and transportation, against us. But today we fight back.

Today, we approve new weapons for this new war. We authorize new broader searches of international mail; we make a new Federal crime of falsifying a customer's ID in a transaction with a financial institution. This bill directs the Secretary of the Treasury to set up a new secure Web site dedicated to the filing of suspicious activity reports by financial institutions and providing those institutions with alerts.

Last week on the antiterrorism bill and this week on the financial antiterrorism bill some have questioned why we moved so quickly. But we have men and women in harm's way overseas; we have them in harm's way abroad. Let us act boldly, let us act creatively, and let us act today. Please support this bill.

Mr. LaFALCE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I rise today in strong support of H.R. 3004, the Financial Anti-terrorism Act of 2001. As original cosponsor of this legislation, I want to commend the chairman and the ranking member, as well as the former chairman, the gentleman from Iowa (Mr. LEACH), for the work that they have done on this bill.

This is not the first time that this legislation has come to light. In fact, last year the former House Committee on Banking passed this legislation overwhelmingly. And while we were unable to get it through the House and through the other body last year, and while our motivation last year was probably less focused on terrorism as it was on public corruption and other forms and drug-running corruption and other forms of money laundering, the body of the legislation is encompassed in this bill; and I am glad to see it is finally seeing the light of day.

This bill will give our Federal financial agencies and law enforcement agencies the tools necessary to combat money laundering. And while, as one of our colleagues said, this is not a silver bullet, this will help choke off the resources that terrorist organizations and other corrupt organizations need in order to operate. We learned in this country in the last century, in efforts to combat organized crime, that if we could cut off the flow of money, we could start to cut off the flow of activity. And the same would be true here.

This legislation gives the Treasury Department very important authority to ensure that financial institutions abroad, which might be working with money laundering organizations, including terrorist organizations, will not have access to the U.S. financial payment systems if they do not comply with appropriate internationally recognized banking standards that deal with money laundering. And it is terribly important that it is in this bill.

Now, we, over the year, have taken great effort with the administration to include appropriate due process so that everyone gets a fair shake under this bill, but this is an important bill in the way it is structured.

I would also like to point out two things. The bill is going to require bringing new requirements on a number of U.S. financial institutions, and that is unfortunately a price that we have to pay. I hope that the regulators look closely at this and do not create too much burden, but we have to enforce this bill.

I am pleased that the committee included an amendment of mine that would not sanction U.S. financial institutions for overreporting. On the one hand, we want them to report; but we should not sanction them for overreporting. We ought to work with those institutions.

In addition, I appreciate the work of the committee in including a provision that would allow the U.S. Justice Department to help enforce foreign judgments against U.S. entities which have had these judgments brought against them overseas to ensure that such judgments of law do not conflict with U.S. law and, thus, we protect the rights of U.S. citizens. So I appreciate the chairman and the ranking member for the work they did on that.

This is a critical piece of legislation. I am glad to see it has been brought up. I commend the chairman and the ranking member and the gentleman from Iowa (Mr. LEACH), who brought this up last year; and I hope the House will pass it unanimously.

Mr. OXLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. GRUCCI).

Mr. GRUCCI. Mr. Speaker, I thank the distinguished chairman for yielding me this time, and I rise today in support of a critical piece of legislation which seeks to attack the core foundation of terrorist organizations.

The Financial Anti-Terrorism Act of 2001 provides law enforcement and financial oversight officials with critical tools necessary to dismantle the fundraising abilities of terrorist networks. It is my understanding that terrorists used small amounts of cash and remained well below the checkpoints currently in place to catch financial criminals.

The Financial Anti-Terrorism Act of 2001 will enhance the ability of law enforcement agencies to identify and detect terrorist-related transactions and attack the financial infrastructure of these organizations.

It will also enhance cooperation between the Government and private institutions and their abilities to detect and disrupt terrorist funding as well as prevent terrorists from accessing the U.S. financial system through foreign countries and institutions.

President Bush stated this will be a war like no other, where we will fight our enemy both on the field of battle and in the halls of our financial institutions. This legislation strikes at the ability of terrorist networks to launder their money and strengthen their ability of our law enforcement agencies, and I urge my colleagues to support H.R. 3004, the Financial Anti-terrorism Act of 2001.

Mr. LAFALCE. Mr. Speaker, I reserve the balance of my time.

Mr. OXLEY. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the gentleman for yielding me this time. I will be voting for H.R. 3004 and support most of its provisions, but I have some reservations about some features of the bill.

Section 301 is designed to give the Treasury Secretary new powers to identify and punish governments that fail to control money laundering. However, some of the provisions in this section are controversial, particularly the criteria that the Treasury Secretary is supposed to use when determining whether a jurisdiction is a money laundering concern.

A jurisdiction should be punished if it refuses to suspend bank secrecy when presented evidence of a serious crime like terrorism. But the mere existence of privacy should not be a cause for concern. The appropriate criteria should be evidence of money laundering, particularly if conducted with the government's complicity. It would be wrong to characterize a nation as harboring money laundering activities simply because they offer lower taxes than European or U.S. and other nations.

Lower taxes are often designed to foster economic growth of a nation that is engaging in the lower-tax policy. It should not be interpreted as evidence of money laundering.

Mr. Speaker, I believe that bill falls short in providing the assurances needed to ensure that a country is not placed on a blacklist simply because they have relatively lower taxes.

I believe strongly that a jurisdiction should be punished if it refuses to suspend bank secrecy when presented with evidence of a serious crime like terrorism, murder, or drug smuggling, but the mere existence of financial privacy should not be a cause for concern. Also, the presence of a vibrant financial services sector is an odd criterion to be used as evidence of money laundering. Using this criteria, New York City and London would likely be classified as money laundering centers.

The appropriate criterion should be evidence of money laundering, particularly if conducted with a government's complicity. It would be wrong to characterize a nation has harboring money laundering activities simply because they offer lower taxes than European nations or the U.S. Lower taxes are designed to foster economic growth and some nation's believe that economic growth is an important policy objective. They should not be punished for making that decision.

We should use our resources effectively. This means targeting and punishing the jurisdictions that harbor and protect terrorists and other criminals.

Mr. OXLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. WOLF).

Mr. LAFALCE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. WOLF) because of an anticipatory association on my part with the remarks of the gentleman from Virginia.

Mr. WOLF. I do not know that I have 4 minutes to speak, but I thank the gentleman.

I am very disappointed that the language of the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE) with regard to money laundering and gambling has been taken out.

Gambling is beginning to destroy families and fundamentally corrupt this country. It is bringing about greater divorce and breakup of families; and now we see the influence of it coming into this Chamber, whereby here was an opportunity to deal with money laundering and to do it in a way that would be a positive thing; yet it was removed.

I want to thank the chairman, the gentleman from Ohio (Mr. OXLEY), because I know he supports this language. And I want to thank the gentleman from New York (Mr. LAFALCE) and the gentleman from Iowa (Mr. LEACH). If this Congress adjourns without dealing with the issue of money laundering with regard to gambling, it will be an indictment of this institution.

□ 1100

Mr. Speaker, this, on my side, is the reason that I signed the discharge petition with regard to campaign finance reform because we cannot have the spread of gambling continue in this Nation and not deal with it every chance we have.

I thank the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE). We ought not to lose this opportunity. Maybe for good reasons the gentlemen had to move ahead with this bill and abandon this opportunity to deal with what is taking place in this country; but we cannot let anti-gambling legislation languish.

Mr. Speaker, we need to continue to push to pass legislation to help families.

Mr. LAFALCE. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from New York.

Mr. LAFALCE. Mr. Speaker, the gentleman from Virginia knows that I have been advocating greater regulation for gambling, even before he began in 1994; but the administration was not supportive of the provisions that we passed. I want to come to the floor separately as soon as possible. I know that is the desire of the gentleman from Ohio (Mr. OXLEY) and the desire of the gentleman from Iowa (Mr. LEACH). We will do it, and we will do it together with the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, I want to make sure what I say does not reflect on the gentleman from Ohio (Mr. OXLEY), and I appreciate the efforts of the gentleman.

The reason I feel so strongly is that gambling is running rampant in the country. The addiction level, particularly among the young is skyrocketing, and for those of us on both sides of the aisle who care about the young, this will enable somebody to sit in their bathrobe at home and gamble, and literally take their family down the road to bankruptcy. This legislation is important, and I appreciate the gentleman's efforts. I look forward to an opportunity to pass such legislation.

Mr. Speaker, I include for the RECORD two articles regarding Internet gambling.

[From the New York Times, June 5, 2001]

NEVADA APPROVES ONLINE GAMBLING

(By Matt Richtel)

The Nevada Legislature voted yesterday to authorize regulators to license casinos to offer gambling over the Internet, the first time a state has moved to legalize the potentially lucrative but highly controversial business of online gambling.

The Legislature passed the bill on the last day of its every-two-year session, despite objections by some state senators who said it would permit only big, politically powerful casino corporations to participate. A spokesman for Gov. Kenny Guinn said he supported the idea of Internet gambling but would not make a decision about signing the bill until he had read it in its final form.

Even if he does approve, it is far from clear when Las Vegas's most powerful casinos will be able to offer gambling over the Internet, or to whom they will be able to offer it. Federal law enforcement officials say operation of an Internet casino is illegal under the

Wire Act, but legal experts say it is not clear whether the courts concur with that interpretation, and, as a result, whether casinos will need to seek a change in federal law.

The casinos must satisfy regulators that they have technology to prevent bets from being placed by minors or by anyone living in a jurisdiction where gambling is illegal, which currently includes most states.

If the Nevada Gaming Commission finds those criteria are met, it would have the power to ''adopt regulations governing the licensing and operation of interactive gaming.'' Industry observers said that while the bill authorized regulators to license casinos, it did not legalize gambling immediately. It would, however, effectively legalize it in the future—a major victory for casinos that advocate online gaming.

''This is a very big step,'' said Anthony Cabot, a gambling law expert and partner in the law firm of Lionel, Sawyer & Collins, which represents some of Nevada's largest casinos. ''There is no doubt that interactive gambling will be authorized.''

If and when they are able to participate, Nevada's casinos will enter an already booming market. According to Bear Stearns, Internet users worldwide wagered $1.4 billion online last year on casino games, lotteries, horse races and other sports events—a figure that the investment banking firm expects to grow to $5 billion by 2003.

Some Nevada legislators say only the largest casinos will be able to benefit, however. The bill is written to ensure that the only casinos eligible to get a license are those with an established—and resort-size—physical presence in the state. To get a license, applicants must pay $500,000 for the first two years, and $250,000 a year thereafter.

''That would have been like saying five years ago, 'only bricks-and-mortar bookstores can sell books over the Internet,''' said Senator Terry Care, who was on the losing side of yesterday's 17-to-4 vote in the Senate. ''What would that have meant for Amazon?''

Mr. Care had hoped to offer an amendment to open the prospect of online gambling to any entity in the state with an unrestricted gambling license. but his was one of several amendments that was never introduced because of a parliamentary maneuver.

In recent weeks, a similar bill was tabled after it became clear that amendments would be offered by several legislators, including Senator Joe Neal, a longtime antagonist of the gambling industry who hoped to amend the bill to increase the gambling tax from 6.25 percent.

To get around the tax question—and the high-profile debate about taxes that it would have entailed—proponents of Internet gambling tacked the legislation as a rider onto a peripheral bill about the work card system for casino employees, said Senator Dina Titus, a Democrat from Las Vegas.

Ms. Titus, who voted against the bill, said she objected to the political maneuvering but she said she supported the idea of Internet gambling. She said the rationale behind permitting only large casinos to participate was the belief that they might be best able to ''operate at this level'' and would have the ''capability and money to back up'' the regulations.

Las Vegas's casinos are not united in their desire to move onto the Internet. Until recently, in fact, many of them advocated keeping online gambling illegal as a way of trying to kill competition from overseas. Several of the biggest casinos have, however, advocated legalizing Internet gambling, with the companies' executives asserting that since there is no way to stop people from gambling on the Internet, American companies should be allowed to compete.

BRYAN WARY OF INTERNET GAMBLING

THE SENATOR PREDICTS LAS VEGAS COMPANIES WILL LAUNCH ONLINE CASINOS IF LAWS ARE NOT PASSED

(By Tony Batt) Donrey Washington Bureau

WASHINGTON.—Unless Congress acts this year to prohibit Internet gambling, Sen. Richard Bryan says mainstream casinos inevitably will expand into the World Wide Web, a prediction roundly rebutted by a gaming lobbyist.

''Right now, the industry has been supportive, by and large, of an Internet gambling ban,'' said Bryan, D-Nev. ''But every indication is that in another year, segments of the industry will break ranks and jump into this market with both feet. I think that would be terrible public policy.''

Bryan cited recent comments by Brian Sandoval, the chairman of the Nevada Gaming Commission, that it may be only a matter of time before the state Legislature is asked to authorize Internet gambling.

''One analogy is the number of operators who were staunchly opposed to Indian gaming, and now many of those same casinos are in business with the tribes,'' Bryan said.

The industry's top lobbyist in Washington insisted that casinos are not preparing forays into the Internet market.

''Even if our companies wanted to do business on the Internet, they couldn't do it without the approval of the gaming control boards in the states where they are licensed,'' said Frank Fahrenkopf, president of the American Gaming Association.

''I haven't seen any sign that the gaming control boards in Nevada, New Jersey and Mississippi are ready for that,'' he said.

But if Internet gambling is authorized in those states, Bryan said, the gaming control boards will not be able to stop casinos from expanding into the Web.

Bryan was the leading Democratic co-sponsor of an Internet gambling ban proposed by Sen. Jon Kyl, R-Ariz., that cleared the Senate in November by voice vote.

But to become law, the ban must be passed by the House, and prospects there appear uncertain. One reason: a turf battle between two powerful committee chairmen.

On April 6, the House Judiciary Committee voted 21–8 in favor of an Internet gambling ban by Rep. Bob Goodlatte, R-Va.

The vote appeared to pave the way for a vote by the full House. But the vote has been delayed because the chairman of the House Commerce Committee, Rep. Tom Bliley Jr., R-Va., has asked House Speaker Dennis Hastert, R-Ill., to give his panel jurisdiction over the bill.

Ironically, Bliley is friends with Goodlatte, and the lawmakers play tennis together.

''We are optimistic that the Judiciary Committee has complete jurisdiction, and the bill will be going to the House floor soon,'' said Goodlatte spokeswoman Michelle Semones. She said she had no idea when Hastert would make a decision on Bliley's request.

The Commerce Committee is seeking oversight because it claims the bill would impose a mandate on Internet service providers to help enforce the gambling ban.

The judiciary panel argues it should have sole jurisdiction because the bill includes criminal penalties—up to $20,000 in fines and four years in prison for companies offering gambling on the Internet.

Bliley has clashed with Judiciary Committee Chairman Henry Hyde, R-Ill., over a number of jurisdictional issues regarding the Internet.

This is not the first turf fight over the Internet gambling ban. The bill made it through the judiciary panel only after it was amended to allow American Indian casinos to operate reservation-to-reservation Internet gambling networks. The change was made to accommodate Rep. Don Young, R-Alaska, chairman of the House Resources Committee.

Even if the Commerce Committee is granted jurisdiction, gaming lobbyists are confident the Internet gambling ban will become law this year.

''I think the prospects of the bill getting to the (House) floor in the next few weeks are very good, and my expectation is that it will pass by a huge margin,'' said Wayne Mehl, who lobbies Congress for the Nevada Resort Association.

If the House passes the ban, members of both chambers will meet in conference to hammer out differences in the House and Senate versions.

''There is not that much difference between the two bills, and I don't think the conference will take much time at all,'' Mehl said.

The version that comes out of the conference then must be voted on by the House and Senate before being sent to President Clinton.

The president hasn't said whether he would approve or veto an Internet gambling ban. The Clinton administration voiced concern about the House bill in March, when Deputy Assistant Attorney General Kevin DiGregory said Congress should update federal statutes to ban Internet gambling instead of creating a new law.

White House spokeswoman Elizabeth Newman said the president hopes his concerns about the legislation can be addressed before he is asked to sign an Internet gambling ban.

''I'll be surprised if this bill does not get to Clinton's desk before the August recess,'' Mehl said. ''The big battle has been fought and the outcome has been decided. They're just nibbling around the edges right now.''

But Bryan remains concerned.

''The holdup in the House does not necessarily mean the death knell for this legislation,'' he said. ''But in terms of legislative days, we are down to less than 40 days (for this year).''

Mrs. CHRISTENSEN. Mr. Speaker, I rise in support of H.R. 3004, the Financial Anti-Terrorism Act and applaud its sponsors for their work on this comprehensive bipartisan legislation, which seeks to declare financial war on terrorists.

I am pleased as well, that the bill does not include language banning Internet gambling because of the impact that such a ban will have on my district, which is exploring Internet gaming as a means of stimulating our stagnant local economy. While I have my own personal reservations about gambling generally, I must accede to the wishes of my constituents and local legislature, which earlier this year passed legislation to make Internet gaming legal in the U.S. Virgin Islands.

My colleagues, one of the disturbing trends in our present economy has been that when the mainland was experiencing boom times, the economies of the offshore areas of our country—the Virgin Islands, Guam, American Samoa and Puerto Rico—did not share in this boom. Additionally, with the events of September 11 dramatically contributing to the then downturn in our national economy, the tourism dependent economy of the Virgin Islands has been decimated. It is because of this that the Government of the Virgin Islands has looked at Internet gambling as a means of stimulating our local economy.

Mr. BEREUTER. Mr. Speaker, this Member rises today to express his support for H.R.

3004, the Financial Anti-Terrorism Act of 2001, which is being considered under suspension of the House rules. As a result of the terrorist attacks on September 11, 2001, H.R. 3004, of which this Member is an original cosponsor, is necessary to detect and eliminate terrorist funding by giving the Federal authorities the enhanced tools to address financial crimes.

First, this Member would like to thank the distinguished Chairman of the House Financial Services Committee from Ohio (Mr. OXLEY) and the distinguished Ranking Member of the House Financial Services Committee from New York (Mr. LAFALCE) for their role in bringing this legislation to the House Floor today.

The September 11th terrorist attacks on the World Trade Center and the Pentagon illustrate the extensive financial infrastructure which can be associated with terrorism. As both the Vice Chairman of the House Intelligence Committee and as House Intelligence Subcommittee Chair of Intelligence Policy and National Security, this Member has been actively studying the details surrounding the tragic events of September 11th.

Therefore, this member would like to focus on the following three provisions of the Financial Anti-Terrorism Act of 2001: (1) codification of the Financial Crimes Enforcement Network (FinCEN) within the Department of the Treasury; (2) enhancement of law enforcement's ability to address informal banking systems used by terrorists such as the South Asian ''hawala'' system; and (3) making bulk cash smuggling into or out of the United States a Federal crime.

First, this legislation codifies FinCEN's status as a Department of Treasury bureau with a separate authorization and statutorily assigns the FinCEN with duties consistent with those assigned currently by order of the Treasury, such as the administration of the Bank Secrecy Act. The FinCEN was created in 1990 by an order of the Secretary of the Treasury to be the government's primary financial intelligence unit. In addition, the FinCEN has been very successful in collecting and analyzing data related to large currency transactions and other suspicious financial activity. Moreover, this legislation also requires the FinCEN to provide computer support to the Office of Foreign Asset Control which is also within the Department of Treasury. This FinCEN support will avoid unnecessary computer data base duplication.

Second, this legislation enhances the ability of law enforcement to address informal banking systems such as hawalas. Many terrorism experts believe that a share of terrorist financing is conducted through an ancient South Asian money exchange system called ''hawalas.'' Hawala is an underground network of financiers who acquire funds in one country and subsequently have a partner in a different country pay a certain amount per recipient. In this case, no transaction records are kept with no funds crossing any borders. This legislation mandates the creation of a unit within FinCEN specifically tasked with addressing informal nonbank networks such as hawalas. Furthermore, this legislation also requires a report to Congress from the Secretary of the Treasury on these informal banking systems.

Lastly, this legislation, among many other things, makes it a Federal crime for anyone to knowingly smuggle more than $10,000 in currency or other monetary instrument across the United States border. The measure provides a punishment of up to five years in prison and confiscation of the smuggled money. Under current law, the only requirement is that such currency be declared to customs inspectors upon entering the United States. This Members believes that the criminalization of bulk cash smuggling is necessary to help eliminate terrorist funding within the borders of the United States.

Therefore, this Member urges his colleagues to support H.R. 3004, the Financial Anti-Terrorism Act of 2001.

Ms. WATERS. Mr. Speaker, I am pleased that we are passing H.R. 3004, the Financial Anti-Terrorism Act today. It is crucial that we take steps to ensure that terrorist funding is cut off at its source. I have been working on money laundering issues for years, and I believe that the time for action is long overdue.

I am pleased that this bill addresses may concerns I have been raising about money laundering for years.

This legislation authorizes Treasury to take special measures against foreign countries or financial institutions deemed to be primary money laundering concerns. This provision is similar to one I have advocated in the past. I am also pleased that other measures I have sponsored over the years, particularly heightened due diligence for private banking, and correspondent accounts, are included in this bill. Additional scrutiny will be required for these accounts, which have ''flown below radar'' for many years.

In an October 28, 1999 letter, Citibank's Private Bank division defined private banks as banks ''which provide specialized and sophisticated investment and other services to wealthy individuals and families.'' The letter went on to say that private banks ''are inevitably exposed to the risk that an unscrupulous client will attempt to 'launder' proceeds of illegal activities through the bank.'' This is stating the situation mildly.

A 1998 GAO report on Private Banking detailed how known drug trafficker and international criminal Raul Salinas was able to transfer between $90 million to $100 million of proceeds through Citibank's private banking system. In November of 1999, the Senate's Committee on Governmental Affairs Permanent Subcommittee on Investigations (PSI) presented revealing accounts of how Raul Salinas, and several other private banking customers, were able to launder funds through Citibank's private banking system. According to the Subcommittee's minority staff report, a key problem area within the private banking system is the use of concentration accounts.

Currently, concentration accounts are bank accounts maintained by financial institutions in which funds from various bank branches and bank customers are commingled into one single account. Banks have used concentration accounts as a convenient, internal, banking-transfer mechanism. However, by combining funds from various sources into one account, and then wire transferring those funds into separate accounts, the true ownership and identity of the funds are temporarily lost, and more importantly, the paper trail is effectively ended.

Law enforcement officials have stated that one of the biggest problems they encounter in money laundering investigations, particularly where there is an international flow of funds, is the inability of investigators to reconstruct an audit trail for prosecution purposes. This legislation will authorize the Secretary of the Treasury to issue regulations to ensure that concentration accounts no longer shield the identity of individual customers. These new regulations will prohibit banks from telling their customers about concentration accounts. It will also prohibit banks from allowing their customers to direct that their money be moved through concentration accounts. And it will establish procedures to document the identity of and the amount of funds attributed to each customer whose money is moved through these accounts. I look forward to working with Treasury on these issues and seeing strong regulations implemented as soon as possible.

I am particularly pleased that this legislation also includes and amendment I offered during markup which will ensure that an institution's record on money laundering issues is taken into account when the institution is attempting to merge with or acquire another institution. I have been told that the regulators can currently consider this factor, but my amendment makes it clear that they must consider an institution's record when considering an application from them.

I would like to thank my colleagues, Chairman OXLEY and Ranking Member LAFALCE for working so quickly to bring this legislation to markup, and for including many strong provisions that I have championed for years.

Mr. FORD. Mr. Speaker, the September 11 attacks were the evil work of a well-financed global network of terror. It has been reported that the 19 terrorists, while living in America, received at least $500,000 from Al Qaeda sources overseas. Their coordinated attack could not have been planned or perpetrated without access to sources of substantial funding.

The cowards of September 11 proved that our enemies do not need armies or tanks or missiles to wage war on the United States. But these terrorists did need money.

By starving the Al Qaeda terrorist network and all terrorists of their funding, we can strip them of an essential tool in waging terror. By following the money, we can more effectively track terrorist activity and prevent terrorist attacks before they occur.

No anti-terrorism package will be complete without strong financial anti-terrorism provisions. To fight global terrorism effectively, we have to crack down on illegal money laundering and on underground financial activity. To fight terrorism, we have to crack the financial networks of terrorists.

Last Thursday, thanks in no small part to the hard work and exemplary cooperation between Chairman OXLEY and Ranking Member LAFALCE, the Financial Services Committee reported out bipartisan financial anti-terrorism legislation by a 62–1 margin.

The Financial Anti-Terrorism Act of 2001 takes critical steps to give Treasury and other law enforcement agencies the tools they need to attack the financial infrastructure of terrorists. The bill encourages cooperation between Federal agencies and the financial services industry. Such cooperation between government and the private sector will be critical in our efforts ahead.

The bill also helps prevent international money laundering by preventing banks from engaging with overseas shell banks. It gives the Treasury the authority to take special measures against countries, institutions, or transactions that are of ''primary money laundering concern.'' We cannot allow terrorists to

use offshore money laundromats to evade the international network of transparent commerce.

Financial anti-terrorism legislation is an essential, indispensable piece of our overall anti-terrorism efforts. In the words of Secretary O'Neill, we must ensure that the terrorists' moral bankruptcy must be matched by an empty wallet.

Mr. Speaker, I strongly support the passage of this bill. Financial anti-terrorism legislation, including strong money laundering provisions, must be included in any ultimate anti-terrorism package passed by this Congress.

Mr. PAUL. Mr. Speaker, the so-called Financial Anti-Terrorism Act of 2001 (H.R. 3004) has more to do with the ongoing war against financial privacy than with the war against international terrorism. Of course, the Federal government should take all necessary and constitutional actions to enhance the ability of law enforcement to locate and seize funds flowing to known terrorists and their front groups. For example, America should consider signing more mutual legal assistance treaties with its allies so we can more easily locate the assets of terrorists and other criminals.

Unfortunately, instead of focusing on reasonable measures aimed at enhancing the ability to reach assets used to support terrorism, H.R. 3004 is a laundry list of dangerous, unconstitutional power grabs. Many of these proposals have already been rejected by the American people when presented as necessary to ''fight the war on drugs'' or ''crackdown on white-collar crime.'' For example, this bill facilitates efforts to bully low tax jurisdictions into raising taxes to levels approved by the tax-loving, global bureaucrats of the Organization for Economic Cooperation and Development!

Among the most obnoxious provisions of this bill: codifying the unconstitutional authority of the Financial Crimes Enforcement Network (FinCeN) to snoop into the private financial dealings of American citizens; and expanding the ''suspicious activity reports'' mandate to broker-dealers, even though history has shown that these reports fail to significantly aid apprehending criminals. These measures will actually distract from the battle against terrorism by encouraging law enforcement authorities to waste time snooping through the financial records of innocent Americans who simply happen to demonstrate an ''unusual'' pattern in their financial dealings.

in conclusion, Mr. Speaker, I urge my colleagues to reject this package of unconstitutional expansions of the financial police state, most of which will prove ultimately ineffective in the war against terrorism. Instead, I hope Congress will work to fashion a measure aimed at giving the government a greater ability to locate and seize the assets of terrorists while respecting the constitutional rights of American citizens.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the bill before us today, H.R. 3004, the ''Financial Anti-Terrorism Act of 2001'' will continue the work that we undertook last week in the Judiciary Committee addressing the growing threats of terrorism on U.S. soil.

In an historic effort of bi-partisanship, my Judiciary Committee colleagues and I passed our anti-terrorism bill by a 36–0 vote. Similarly, the bill before us today passed the House Financial Services Committee on a bi-partisan vote of 62–1. These numbers demonstrate to America and to the world the unanimity of our resolve to rid society of terror, and reiterate the overwhelming timeliness for such legislation.

The problems of money laundering have always been great, but these problems are exacerbated where international terrorist networks fund their evil enterprises by masking the origin and purpose of the money. It has been suggested that the terrorist hijackers behind the September 11 attacks had a deep knowledge of the U.S. Bank Secrecy Act, record keeping duties of financial institutions, and that at least one of the leaders conducted transactions that evinced a deep understanding of obscure and complex U.S. banking regulations. This knowledge is likely to have helped expedite these horrific acts, which clearly transcend traditional notions of money laundering.

Make no mistake about it: this is big business. It has been estimated that money laundering accounts for between $600 billion and $1.5 trillion a year. Given the fact that the recent attacks on the World Trade Center, the Pentagon, and the crash in Somerset County Pennsylvania have been estimated to have cost only about $.5 million, a relatively insignificant amount given the direct and collateral damage caused by the attacks, it is clear that our current money laundering laws are insufficient to deal with the current threats raised by our new war on terrorism.

With that in mind I believe that we should thank Senate Majority Leader TOM DASCHLE for insisting that money laundering language be included in the final anti-terrorism package, and we should also thank the staffs of the Financial Services and Judiciary Committees who worked late into the evening last night in search of an agreement that would bring this important legislation to the floor.

H.R. 3004 moves us in the right direction in fighting this new battle. It includes specific provisions to detect terrorist funding by increasing safeguards at banks, borders, and businesses, and gives authorities the tools that they need to effectively combat financial terrorism and related crimes. It provides for increased investigatory abilities to infiltrate terrorist cells and infrastructure, irrespective of whether such cells utilize normal financial institutions such as banks, or whether they use more clandestine underground ''hawala'' financial systems.

The bill establishes a partnership between private industry and government in order to decimate terrorist funding, and to this end, it provides additional tracking authority and increased cooperation between U.S. and foreign national to monitor terrorist funds kept in offshore accounts.

The bill also limits the potential for mistakes in targeting terrorists by directing the Treasury Secretary to develop regulations that require financial institutions to verify the identify of customers before opening accounts.

The bill also expands jurisdiction of the Customs Service in order to search, without a warrant, outbound U.S. mail for bulk cash or other contraband, and criminalizes smuggle currency in excess of $10,000, and stiffens penalties for knowing falsification of transactional information in financial institutions.

Finally, additional provisions prohibit the use of credit cards, wire transfers or checks from U.S. banks to pay for illegal gambling on the Internet where so much money laundering currently takes place. In all, this bill gives law enforcement the tools needed to fight this new and formidable enemy of terrorism.

The need for this legislation is great. Let us pass it today and send a powerful signal to the world that terrorism, in any form, will not be tolerated in our free society. I urge my colleagues to support it.

Mr. OXLEY. Mr. Speaker, could I inquire whether the gentleman from New York has further speakers?

Mr. LAFALCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OXLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 3004, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OXLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 412, nays 1, not voting 17, as follows:

[Roll No. 390]

YEAS—412

Abercrombie	Capuano	English
Ackerman	Cardin	Eshoo
Aderholt	Carson (IN)	Etheridge
Akin	Carson (OK)	Evans
Allen	Castle	Everett
Andrews	Chabot	Farr
Armey	Chambliss	Ferguson
Baca	Clay	Filner
Bachus	Clayton	Flake
Baird	Clement	Fletcher
Baker	Clyburn	Foley
Baldacci	Coble	Forbes
Baldwin	Collins	Ford
Ballenger	Combest	Fossella
Barcia	Condit	Frank
Barr	Cooksey	Frelinghuysen
Barrett	Costello	Frost
Bartlett	Cox	Gallegly
Barton	Coyne	Ganske
Becerra	Cramer	Gekas
Bentsen	Crane	Gephardt
Bereuter	Crenshaw	Gibbons
Berkley	Crowley	Gilchrest
Berman	Culberson	Gillmor
Berry	Cummings	Gilman
Biggert	Cunningham	Gonzalez
Bilirakis	Davis (CA)	Goode
Blagojevich	Davis (FL)	Goodlatte
Blumenauer	Davis (IL)	Gordon
Blunt	Davis, Jo Ann	Goss
Boehlert	Davis, Tom	Graham
Boehner	Deal	Granger
Bonilla	DeFazio	Graves
Bonior	DeGette	Green (TX)
Bono	Delahunt	Green (WI)
Borski	DeLauro	Greenwood
Boswell	DeLay	Grucci
Boucher	DeMint	Gutierrez
Boyd	Deutsch	Gutknecht
Brady (PA)	Diaz-Balart	Hall (OH)
Brady (TX)	Dicks	Hall (TX)
Brown (FL)	Dingell	Hansen
Brown (OH)	Doggett	Harman
Brown (SC)	Dooley	Hart
Bryant	Doolittle	Hastings (FL)
Burr	Doyle	Hastings (WA)
Buyer	Dreier	Hayes
Callahan	Duncan	Hayworth
Calvert	Dunn	Hefley
Camp	Edwards	Herger
Cannon	Ehlers	Hill
Cantor	Ehrlich	Hilleary
Capito	Emerson	Hilliard
Capps	Engel	Hinchey

Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sanchez
Sanders
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—17

Bass
Bishop
Burton
Conyers
Cubin
Fattah
Issa
Kaptur
Kleczka
LaTourette
Miller (FL)
Price (NC)
Roybal-Allard
Sabo
Sandlin
Serrano
Sweeney

□ 1128

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. ISSA. Mr. Speaker, on rollcall No. 390, had I been present, I would have voted "yea."

LEGISLATIVE PROGRAM

(Mr. LAFALCE asked and was given permission to address the House for 1 minute.)

Mr. LAFALCE. Mr. Speaker, I would like to ask the majority leader, it is the disposition of the loyal minority to proceed as expeditiously as possible to join this bill with the PATRIOT bill we passed Friday and to go to conference with the Senate. It is my understanding that the Senate is probably going to adjourn as of about 2:00 o'clock this afternoon, and that we are going to adjourn about 4:00 o'clock.

I want the majority leader to know that if it is possible, we would like to come back with a conference report today, before 2:00 in the Senate, before 4:00 today, so that we could send the bill to President Bush for his signature today. We are ready to do anything. I know there are difficulties because some Senate offices have been quarantined. If it is necessary, we could meet on the House side. The conferees, if necessary, could be appointed immediately. We are willing to work with the gentleman in a most expeditious manner.

□ 1130

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. LAFALCE. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I want to thank the gentleman.

Let me take this moment if I may, to say that what was agreed to this morning by the Speaker and the minority leader and myself is we had certain work we could get done today and we thought we needed to get done today, and we would do that work and then adjourn for the week. We are progressing nicely on this.

I think it was a clear anticipation on the part of all three of us that should this conferencing of these two very important bills get done that expeditiously and be available to us at a reasonable time, we would be happy to take it and try to move it. So I would encourage Members to go to work on that.

In the meantime, Members should be advised that the basic ground rules are we will do the additional work that is available to us. When that work is completed, we will adjourn the House. We will then not reconvene the House until Tuesday. The exact time of reconvening will be announced later in the day. Between that adjournment today and Tuesday, we ask on behalf of the research team that will survey our work areas that Members go ahead and give their staffs the couple of days off and give that space over, make it available for this research, so we can establish the condition of the properties, not only in terms of securing their current safety, but establishing a base from which we can evaluate any future changes in these circumstances.

FURTHER LEGISLATIVE PROGRAM

(Mr. KENNEDY of Rhode Island asked and was given permission to address the House for 1 minute.)

Mr. KENNEDY of Rhode Island. Mr. Speaker, would the leader give us some indication as to why we would adjourn after 3 o'clock? If there is a risk of possible exposure by staying around, then I would ask the leader why is it we are staying in for another 3 hours and continuing to possibly expose employees of this building?

There is a line that is about 100 long around the Physician's Office right now waiting to be tested. It seems to me we have responsibility at this time to know what the facts are and to be able to operate in a way that is consistent with whatever clinical judgment the Physician's Office gives us.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY of Rhode Island. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, again, during our discussions earlier this morning between the minority leader, the Speaker and myself with the House Physician, Dr. Eisold, it was clear that we did not feel, according to the doctor's advice, that anyone was in imminent danger at this moment, and that there were Members from some offices, particularly from the other side of the building, that were taking these precautionary screening tests and it was considered advised.

On the House side at this time there was seen to be no imminent danger, but as a matter of prudence and in the interests of what I would call the research protocol of establishing a clearly defined base from which to proceed, it was advised that when we complete our business today, that we surrender the properties for the purposes of that sweep and that establishment.

There has been and is no announced time by which we would complete our work because that would depend, of course, on the flow of the work. But we believe Members all appreciate the seriousness of the situation.

We see the work is going expeditiously on the floor. As we return to that floor and complete that work, then I would advise the gentleman to have your staff complete their work and depart the properties. I think there is no reason to be concerned about having to rush out of here because the actual research, sweeping, will begin in the morning, and we will have given then these people the opportunity to

access all our facilities and do this job properly.

So I would encourage Members not to feel a sense of anxiety or concern about any of their folks being in immediate danger. If any have any sense of concern, they might want to take their less critical personnel and encourage them to leave early. I do not think that is necessary, but I think at this point it is well within the sense of discretion of the individual Member and their office.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002

Mr. STUMP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1438) to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Defense Authorization Act for Fiscal Year 2002''.

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

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

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. Applicability of report of Committee on Armed Services of the Senate.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

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

Subtitle B—Army Programs

(Reserved)

Subtitle C—Navy Programs

Sec. 121. Virginia class submarine program.
Sec. 122. Multiyear procurement authority for F/A–18E/F aircraft engines.
Sec. 123. V–22 Osprey aircraft program.
Sec. 124. Additional matter relating to V–22 Osprey aircraft.

Subtitle D—Air Force Programs

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

Subtitle E—Other Matters

Sec. 141. Extension of pilot program on sales of manufactured articles and services of certain Army industrial facilities without regard to availability from domestic sources.
Sec. 142. Procurement of additional M291 skin decontamination kits.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Authorization of additional funds.
Sec. 204. Funding for Special Operations Forces Command, Control, Communications, Computers, and Intelligence Systems Threat Warning and Situational Awareness program.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. F–22 aircraft program.
Sec. 212. C–5 aircraft reliability enhancement and reengining.
Sec. 213. Review of alternatives to the V–22 Osprey aircraft.
Sec. 214. Joint biological defense program.
Sec. 215. Report on V–22 Osprey aircraft before decision to resume flight testing.
Sec. 216. Big Crow Program and Defense Systems Evaluation program.

Subtitle C—Other Matters

Sec. 231. Technology Transition Initiative.
Sec. 232. Communication of safety concerns between operational testing and evaluation officials and program managers.
Sec. 233. Supplemental Authorization of Appropriations for Fiscal Year 2001 for Research, Development, Test, and Evaluation Defense-wide.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 305. Amount for impact aid for children with severe disabilities.
Sec. 306. Improvements in instrumentation and targets at Army live fire training ranges.
Sec. 307. Environmental Restoration, Formerly Used Defense Sites.
Sec. 308. Authorization of additional funds.
Sec. 309. Funds for renovation of Department of Veterans Affairs facilities adjacent to Naval Training Center, Great Lakes, Illinois.

Subtitle B—Environmental Provisions

Sec. 311. Establishment in environmental restoration accounts of sub-accounts for unexploded ordnance and related constituents.
Sec. 312. Assessment of environmental remediation of unexploded ordnance and related constituents.
Sec. 313. Department of Defense energy efficiency program.
Sec. 314. Extension of pilot program for sale of air pollution emission reduction incentives.
Sec. 315. Reimbursement of Environmental Protection Agency for certain response costs in connection with Hooper Sands Site, South Berwick, Maine.
Sec. 316. Conformity of surety authority under environmental restoration program with surety authority under superfund.
Sec. 317. Procurement of alternative fueled and hybrid electric light duty trucks.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

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

Subtitle D—Other Matters

Sec. 331. Codification of authority for Department of Defense support for counterdrug activities of other governmental agencies.
Sec. 332. Exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance.
Sec. 333. Repair, restoration, and preservation of Lafayette Escadrille Memorial, Marnes la-Coquette, France.
Sec. 334. Implementation of the Navy-Marine Corps Intranet contract.
Sec. 335. Revision of authority to waive limitation on performance of depot-level maintenance.
Sec. 336. Reauthorization of warranty claims recovery pilot program.
Sec. 337. Funding for land forces readiness-information operations sustainment.
Sec. 338. Defense Language Institute Foreign Language Center expanded Arabic language program.
Sec. 339. Consequence management training.
Sec. 340. Critical infrastructure protection initiative of the Navy.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

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

Subtitle B—Reserve Forces

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

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. General officer positions.
Sec. 502. Reduction of time-in-grade requirement for eligibility for promotion of first lieutenants and lieutenants (junior grade).
Sec. 503. Promotion of officers to the grade of captain in the Army, Air Force, or Marine Corps or to the grade of lieutenant in the Navy without selection board action.
Sec. 504. Authority to adjust date of rank.
Sec. 505. Extension of deferments of retirement or separation for medical reasons.
Sec. 506. Exemption from administrative limitations of retired members ordered to active duty as defense and service attachés.
Sec. 507. Certifications of satisfactory performance for retirements of officers in grades above major general and rear admiral.
Sec. 508. Effective date of mandatory separation or retirement of regular officer delayed by a suspension of certain laws under emergency authority of the President.
Sec. 509. Detail and grade of officer in charge of the United States Navy Band.

Subtitle B—Reserve Component Personnel Policy

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

Subtitle C—Education and Training

Sec. 531. Improved benefits under the Army College First program.
Sec. 532. Repeal of limitation on number of Junior Reserve Officers' Training Corps units.
Sec. 533. Acceptance of fellowships, scholarships, or grants for legal education of officers participating in the funded legal education program.
Sec. 534. Grant of degree by Defense Language Institute Foreign Language Center.
Sec. 535. Authority for the Marine Corps University to award the degree of master of strategic studies.
Sec. 536. Foreign persons attending the service academies.
Sec. 537. Expansion of financial assistance program for health-care professionals in reserve components to include students in programs of education leading to initial degree in medicine or dentistry.
Sec. 538. Pilot program for Department of Veterans Affairs support for graduate medical education and training of medical personnel of the Armed Forces.
Sec. 539. Transfer of entitlement to educational assistance under Montgomery GI Bill by members of the Armed Forces with critical military skills.
Sec. 540. Participation of regular members of the Armed Forces in the Senior Reserve Officers' Training Corps.

Subtitle D—Decorations, Awards, and Commendations

Sec. 551. Authority for award of the Medal of Honor to Humbert R. Versace for valor during the Vietnam War.
Sec. 552. Review regarding award of Medal of Honor to certain Jewish American war veterans.
Sec. 553. Issuance of duplicate and replacement Medals of Honor.
Sec. 554. Waiver of time limitations for award of certain decorations to certain persons.
Sec. 555. Sense of Senate on issuance of Korea Defense Service Medal.
Sec. 556. Retroactive Medal of Honor special pension.

Subtitle E—Funeral Honors Duty

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

Subtitle F—Uniformed Services Overseas Voting

Sec. 571. Sense of the Senate regarding the importance of voting by members of the uniformed services.
Sec. 572. Standard for invalidation of ballots cast by absent uniformed services voters in Federal elections.
Sec. 573. Guarantee of residency for military personnel.
Sec. 574. Extension of registration and balloting rights for absent uniformed services voters to State and local elections.
Sec. 575. Use of single application as a simultaneous absentee voter registration application and absentee ballot application.
Sec. 576. Use of single application for absentee ballots for all Federal elections.
Sec. 577. Electronic voting demonstration project.
Sec. 578. Federal voting assistance program.
Sec. 579. Maximization of access of recently separated uniformed services voters to the polls.
Sec. 580. Governors' reports on implementation of Federal voting assistance program recommendations.

Subtitle G—Other Matters

Sec. 581. Persons authorized to be included in surveys of military families regarding Federal programs.
Sec. 582. Correction and extension of certain Army recruiting pilot program authorities.
Sec. 583. Offense of drunken operation of a vehicle, aircraft, or vessel under the Uniform Code of Military Justice.
Sec. 584. Authority of civilian employees to act as notaries.
Sec. 585. Review of actions of selection boards.
Sec. 586. Acceptance of voluntary legal assistance for the civil affairs of members and former members of the uniformed services and their dependents.
Sec. 587. Extension of Defense Task Force on Domestic Violence.
Sec. 588. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.
Sec. 589. Report on health and disability benefits for pre-accession training and education programs.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

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

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Extension of certain bonuses and special pay authorities for reserve forces.
Sec. 612. Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Extension of special pay and bonus authorities for nuclear officers.
Sec. 614. Extension of authorities relating to payment of other bonuses and special pays.
Sec. 615. Hazardous duty pay for members of maritime visit, board, search, and seizure teams.
Sec. 616. Submarine duty incentive pay rates.
Sec. 617. Career sea pay.
Sec. 618. Modification of eligibility requirements for Individual Ready Reserve bonus for reenlistment, enlistment, or extension of enlistment.
Sec. 619. Accession bonus for officers in critical skills.
Sec. 620. Modification of the nurse officer candidate accession program restriction on students attending civilian educational institutions with Senior Reserve Officers' Training Programs.
Sec. 621. Eligibility for certain career continuation bonuses for early commitment to remain on active duty.
Sec. 622. Hostile fire or imminent danger pay.

Subtitle C—Travel and Transportation Allowances

Sec. 631. Eligibility for temporary housing allowance while in travel or leave status between permanent duty stations.
Sec. 632. Eligibility for payment of subsistence expenses associated with occupancy of temporary lodging incident to reporting to first permanent duty station.
Sec. 633. Eligibility for dislocation allowance.
Sec. 634. Allowance for dislocation for the convenience of the Government at home station.
Sec. 635. Travel and transportation allowances for family members to attend the burial of a deceased member of the uniformed services.
Sec. 636. Family separation allowance for members electing unaccompanied tour by reason of health limitations of dependents.
Sec. 637. Funded student travel for foreign study under an education program approved by a United States school.
Sec. 638. Transportation or storage of privately owned vehicles on change of permanent station.

Subtitle D—Matters Relating to Retirement and Survivor Benefits

Sec. 651. Payment of retired pay and compensation to disabled military retirees.
Sec. 652. SBP eligibility of survivors of retirement-ineligible members of the uniformed services who die while on active duty.

Subtitle E—Other Matters

Sec. 661. Education savings plan for reenlistments and extensions of service in critical specialties.
Sec. 662. Commissary benefits for new members of the Ready Reserve.
Sec. 663. Authorization of transitional compensation and commissary and exchange benefits for dependents of commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration who are separated for dependent abuse.

Subtitle F—National Emergency Family Support

Sec. 681. Child care and youth assistance.
Sec. 682. Family education and support services.

TITLE VII—HEALTH CARE

Subtitle A—TRICARE Benefits Modernization

Sec. 701. Requirement for integration of benefits.
Sec. 702. Domiciliary and custodial care.
Sec. 703. Long term care.
Sec. 704. Extended benefits for disabled beneficiaries.
Sec. 705. Conforming repeals.
Sec. 706. Prosthetics and hearing aids.
Sec. 707. Durable medical equipment.
Sec. 708. Rehabilitative therapy.
Sec. 709. Mental health benefits.
Sec. 710. Effective date.

Subtitle B—Other Matters

Sec. 711. Repeal of requirement for periodic screenings and examinations and related care for members of Army Reserve units scheduled for early deployment.
Sec. 712. Clarification of eligibility for reimbursement of travel expenses of adult accompanying patient in travel for specialty care.
Sec. 713. TRICARE program limitations on payment rates for institutional health care providers and on balance billing by institutional and noninstitutional health care providers.
Sec. 714. Two-year extension of health care management demonstration program.
Sec. 715. Study of health care coverage of members of the Selected Reserve.
Sec. 716. Study of adequacy and quality of health care provided to women under the defense health program.
Sec. 717. Pilot program for Department of Veterans Affairs support for Department of Defense in the performance of separation physical examinations.
Sec. 718. Modification of prohibition on requirement of nonavailability statement or preauthorization.
Sec. 719. Transitional health care to members separated from active duty.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Procurement Management and Administration

Sec. 801. Management of procurements of services.
Sec. 802. Savings goals for procurements of services.
Sec. 803. Competition requirement for purchases pursuant to multiple award contracts.
Sec. 804. Risk reduction at initiation of major defense acquisition program.
Sec. 805. Follow-on production contracts for products developed pursuant to prototype projects.

Subtitle B—Defense Acquisition and Support Workforce

Sec. 811. Report on implementation of recommendations of the Acquisition 2005 Task Force.
Sec. 812. Moratorium on reduction of the defense acquisition and support workforce.
Sec. 813. Revision of acquisition workforce qualification requirements.

Subtitle C—Use of Preferred Sources

Sec. 821. Applicability of competition requirements to purchases from a required source.
Sec. 822. Consolidation of contract requirements.
Sec. 823. Codification and continuation of Mentor-Protege Program as permanent program.
Sec. 824. Hubzone small business concerns.

Subtitle D—Amendments to General Contracting Authorities, Procedures, and Related Matters

Sec. 831. Amendments to conform with administrative changes in acquisition phase and milestone terminology and to make related adjustments in certain requirements applicable at milestone transition points.
Sec. 832. Inapplicability of limitation to small purchases of miniature or instrument ball or roller bearings under certain circumstances.
Sec. 833. Insensitive munitions program.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Organization and Management

Sec. 901. Deputy Under Secretary of Defense for Personnel and Readiness.
Sec. 902. Responsibility of Under Secretary of the Air Force for acquisition of space launch vehicles and services.
Sec. 903. Sense of Congress regarding the selection of officers for assignment as the Commander in Chief, United States Transportation Command.
Sec. 904. Organizational realignment for Navy Director for Expeditionary Warfare.
Sec. 905. Revised requirements for content of annual report on joint warfighting experimentation.
Sec. 906. Suspension of reorganization of engineering and technical authority policy within the Naval Sea Systems Command.
Sec. 907. Conforming amendments relating to change of name of Air Mobility Command.

Subtitle B—Organization and Management of Space Activities

Sec. 911. Establishment of position of Under Secretary of Defense for Space, Intelligence, and Information.
Sec. 912. Responsibility for space programs.
Sec. 913. Major force program category for space programs.
Sec. 914. Assessment of implementation of recommendations of Commission To Assess United States National Security Space Management and Organization.
Sec. 915. Grade of commander of Air Force Space Command.
Sec. 916. Sense of Congress regarding grade of officer assigned as Commander of United States Space Command.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Reduction in authorizations of appropriations for Department of Defense for management efficiencies.
Sec. 1003. Authorization of supplemental appropriations for fiscal year 2001.
Sec. 1004. United States contribution to NATO common-funded budgets in fiscal year 2002.
Sec. 1005. Clarification of applicability of interest penalties for late payment of interim payments due under contracts for services.
Sec. 1006. Reliability of Department of Defense financial statements.
Sec. 1007. Financial Management Modernization Executive Committee and financial feeder systems compliance process.
Sec. 1008. Combating Terrorism Readiness Initiatives Fund for combatant commands.
Sec. 1009. Authorization of additional funds.
Sec. 1010. Authorization of 2001 Emergency Supplemental Appropriations Act for recovery from and response to terrorist attacks on the United States.

Subtitle B—Strategic Forces

Sec. 1011. Repeal of limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1012. Bomber force structure.
Sec. 1013. Additional element for revised nuclear posture review.

Subtitle C—Reporting Requirements

Sec. 1021. Information and recommendations on congressional reporting requirements applicable to the Department of Defense.
Sec. 1022. Report on combating terrorism.

Sec. 1023. Revised requirement for Chairman of the Joint Chiefs of Staff to advise Secretary of Defense on the assignment of roles and missions to the Armed Forces.
Sec. 1024. Revision of deadline for annual report on commercial and industrial activities.
Sec. 1025. Production and acquisition of vaccines for defense against biological warfare agents.
Sec. 1026. Extension of times for Commission on the Future of the United States Aerospace Industry to report and to terminate.
Sec. 1027. Comptroller General study and report on interconnectivity of National Guard Distributive Training Technology Project networks and related public and private networks.

Subtitle D—Armed Forces Retirement Home

Sec. 1041. Amendment of Armed Forces Retirement Home Act of 1991.
Sec. 1042. Definitions.
Sec. 1043. Revision of authority establishing the Armed Forces Retirement Home.
Sec. 1044. Chief Operating Officer.
Sec. 1045. Residents of Retirement Home.
Sec. 1046. Local boards of trustees.
Sec. 1047. Directors, Deputy Directors, and staff of facilities.
Sec. 1048. Disposition of effects of deceased persons and unclaimed property.
Sec. 1049. Transitional provisions.
Sec. 1050. Conforming and clerical amendments and repeals of obsolete provisions.
Sec. 1051. Amendments of other laws.

Subtitle E—Other Matters

Sec. 1061. Requirement to conduct certain previously authorized educational programs for children and youth.
Sec. 1062. Authority to ensure demilitarization of significant military equipment formerly owned by the Department of Defense.
Sec. 1063. Conveyances of equipment and related materials loaned to State and local governments as assistance for emergency response to a use or threatened use of a weapon of mass destruction.
Sec. 1064. Authority to pay gratuity to members of the Armed Forces and civilian employees of the United States for slave labor performed for Japan during World War II.
Sec. 1065. Retention of travel promotional items.
Sec. 1066. Radiation Exposure Compensation Act mandatory appropriations.
Sec. 1067. Leasing of Navy ships for University National Oceanographic Laboratory System.
Sec. 1068. Small business procurement competition.
Sec. 1069. Chemical and biological protective equipment for military and civilian personnel of the Department of Defense.
Sec. 1070. Authorization of the sale of goods and services by the Naval Magazine, Indian Island.
Sec. 1071. Assistance for firefighters.
Sec. 1072. Plan to ensure embarkation of civilian guests does not interfere with operational readiness and safe operation of Navy vessels.
Sec. 1073. Modernizing and enhancing missile wing helicopter support—study and plan.
Sec. 1074. Sense of the Senate that the Secretary of the Treasury should immediately issue savings bonds, to be designated as ''Unity Bonds'', in response to the terrorist attacks against the United States on September 11, 2001.
Sec. 1075. Personnel pay and qualifications authority for Department of Defense Pentagon Reservation civilian law enforcement and security force.
Sec. 1076. Waiver of vehicle weight limits during periods of national emergency.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

Subtitle A—Intelligence Personnel

Sec. 1101. Authority to increase maximum number of positions in the Defense Intelligence Senior Executive Service.
Sec. 1102. Continued applicability of certain civil service protections for employees integrated into the National Imagery and Mapping Agency from the Defense Mapping Agency.

Subtitle B—Matters Relating to Retirement

Sec. 1111. Federal employment retirement credit for nonappropriated fund instrumentality service.
Sec. 1112. Improved portability of retirement coverage for employees moving between civil service employment and employment by nonappropriated fund instrumentalities.
Sec. 1113. Repeal of limitations on exercise of voluntary separation incentive pay authority and voluntary early retirement authority.

Subtitle C—Other Matters

Sec. 1121. Housing allowance for the chaplain for the Corps of Cadets at the United States Military Academy.
Sec. 1122. Study of adequacy of compensation provided for teachers in the Department of Defense overseas dependents' schools.
Sec. 1123. Pilot program for payment of retraining expenses incurred by employers of persons involuntarily separated from employment by the Department of Defense.
Sec. 1124. Participation of personnel in technical standards development activities.
Sec. 1125. Authority to exempt certain health care professionals from examination for appointment in the competitive civil service.
Sec. 1126. Professional credentials.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Cooperative Threat Reduction With States of the Former Soviet Union

Sec. 1201. Specification of Cooperative Threat Reduction programs and funds.
Sec. 1202. Funding allocations.
Sec. 1203. Chemical weapons destruction.
Sec. 1204. Management of Cooperative Threat Reduction programs and funds.
Sec. 1205. Additional matter in annual report on activities and assistance under Cooperative Threat Reduction programs.

Subtitle B—Other Matters

Sec. 1211. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.
Sec. 1212. Cooperative research and development projects with NATO and other countries.
Sec. 1213. International cooperative agreements on use of ranges and other facilities for testing of defense equipment.
Sec. 1214. Clarification of authority to furnish nuclear test monitoring equipment to foreign governments.
Sec. 1215. Participation of government contractors in chemical weapons inspections at United States Government facilities under the Chemical Weapons Convention.
Sec. 1216. Authority to transfer naval vessels to certain foreign countries.
Sec. 1217. Acquisition of logistical support for security forces.
Sec. 1218. Personal services contracts to be performed by individuals or organizations abroad.
Sec. 1219. Allied defense burdensharing.
Sec. 1220. Release of restriction on use of certain vessels previously authorized to be sold.

TITLE XIII—CONTINGENT AUTHORIZATION OF APPROPRIATIONS

Sec. 1301. Authorization of appropriations contingent on increased allocation of new budget authority.
Sec. 1302. Reductions.
Sec. 1303. Reference to Concurrent Resolution on the Budget for Fiscal Year 2002.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

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 2001 projects.

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 2001 projects.
Sec. 2206. Modification of authority to carry out fiscal year 2000 project.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Modification of authority to carry out certain fiscal year 2001 project.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.

Sec. 2402. Energy conservation projects.
Sec. 2403. Authorization of appropriations, Defense Agencies.
Sec. 2404. Cancellation of authority to carry out certain fiscal year 2001 projects.
Sec. 2405. Cancellation of authority to carry out additional fiscal year 2001 project.
Sec. 2406. Modification of authority to carry out certain fiscal year 2000 projects.
Sec. 2407. Modification of authority to carry out certain fiscal year 1999 project.
Sec. 2408. Modification of authority to carry out certain fiscal year 1995 project.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.

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 1999 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1998 projects.
Sec. 2704. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Increase in thresholds for certain unspecified minor military construction projects.
Sec. 2802. Unforeseen environmental hazard remediation as basis for authorized cost variations for military construction and family housing construction projects.
Sec. 2803. Repeal of requirement for annual reports to Congress on military construction and military family housing activities.
Sec. 2804. Authority available for lease of property and facilities under alternative authority for acquisition and improvement of military housing.
Sec. 2805. Funds for housing allowances of members assigned to military family housing under alternative authority for acquisition and improvement of military housing.
Sec. 2806. Amendment of Federal Acquisition Regulation to treat financing costs as allowable expenses under contracts for utility services from utility systems conveyed under privatization initiative.

Subtitle B—Real Property and Facilities Administration

Sec. 2811. Availability of proceeds of sales of Department of Defense property from closed military installations.
Sec. 2812. Pilot efficient facilities initiative.
Sec. 2813. Demonstration program on reduction in long-term facility maintenance costs.

Subtitle C—Land Conveyances

Sec. 2821. Land conveyance, Engineer Proving Ground, Fort Belvoir, Virginia.
Sec. 2822. Modification of authority for conveyance of Naval Computer and Telecommunications Station, Cutler, Maine.
Sec. 2823. Land transfer and conveyance, Naval Security Group Activity, Winter Harbor, Maine.
Sec. 2824. Conveyance of segment of Loring Petroleum Pipeline, Maine, and related easements.
Sec. 2825. Land conveyance, petroleum terminal serving former Loring Air Force Base and Bangor Air National Guard Base, Maine.
Sec. 2826. Land conveyance, Naval Weapons Industrial Reserve Plant, Toledo, Ohio.
Sec. 2827. Modification of land conveyance, Mukilteo Tank Farm, Everett, Washington.
Sec. 2828. Land conveyances, Charleston Air Force Base, South Carolina.
Sec. 2829. Land conveyance, Fort Des Moines, Iowa.
Sec. 2830. Land conveyances, certain former Minuteman III ICBM facilities in North Dakota.
Sec. 2831. Land acquisition, Perquimans County, North Carolina.
Sec. 2832. Land conveyance, Army Reserve Center, Kewaunee, Wisconsin.
Sec. 2832. Treatment of amounts received.

Subtitle D—Other Matters

Sec. 2841. Development of United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania.
Sec. 2842. Repeal of limitation on cost of renovation of Pentagon Reservation.
Sec. 2843. Naming of Patricia C. Lamar Army National Guard Readiness Center, Oxford, Mississippi.
Sec. 2844. Construction of parking garage at Fort DeRussy, Hawaii.
Sec. 2845. Acceptance of contributions to repair or establishment memorial at Pentagon Reservation.

TITLE XXIX—DEFENSE BASE CLOSURE AND REALIGNMENT

Subtitle A—Modifications of 1990 Base Closure Law

Sec. 2901. Authority to carry out base closure round in 2003.
Sec. 2902. Base Closure Account 2003.
Sec. 2903. Additional modifications of base closure authorities.
Sec. 2904. Technical and clarifying amendments.

Subtitle B—Modification of 1988 Base Closure Law

Sec. 2911. Payment for certain services provided by redevelopment authorities for property leased back by the United States.

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 restoration and waste management.
Sec. 3103. Other defense activities.
Sec. 3104. Defense environmental management privatization.
Sec. 3105. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on minor construction projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Fund transfer authority.
Sec. 3125. Authority for conceptual and construction design.
Sec. 3126. Authority for emergency planning, design, and construction activities.
Sec. 3127. Funds available for all national security programs of the Department of Energy.
Sec. 3128. Availability of funds.
Sec. 3129. Transfer of defense environmental management funds.
Sec. 3130. Transfer of weapons activities funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Limitation on availability of funds for weapons activities for facilities and infrastructure.
Sec. 3132. Limitation on availability of funds for other defense activities for national security programs administrative support.
Sec. 3133. Nuclear Cities Initiative.
Sec. 3134. Construction of Department of Energy operations office complex.

Subtitle D—Matters Relating to Management of National Nuclear Security Administration

Sec. 3141. Establishment of position of Deputy Administrator for Nuclear Security.
Sec. 3142. Responsibility for national security laboratories and weapons production facilities of Deputy Administrator of National Nuclear Security Administration for Defense Programs.
Sec. 3143. Clarification of status within the Department of Energy of administration and contractor personnel of the National Nuclear Security Administration.
Sec. 3144. Modification of authority of Administrator for Nuclear Security to establish scientific, engineering, and technical positions.

Subtitle E—Other Matters

Sec. 3151. Improvements to Energy Employees Occupational Illness Compensation Program.
Sec. 3152. Department of Energy counterintelligence polygraph program.
Sec. 3153. One-year extension of authority of Department of Energy to pay voluntary separation incentive payments.
Sec. 3154. Additional objective for Department of Energy defense nuclear facility work force restructuring plan.
Sec. 3155. Modification of date of report of Panel to Assess the Reliability, Safety, and Security of the United States Nuclear Stockpile.
Sec. 3156. Reports on achievement of milestones for National Ignition Facility.
Sec. 3157. Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico.
Sec. 3158. Improvements to Corral Hollow Road, Livermore, California.
Sec. 3159. Annual assessment and report on vulnerability of Department of Energy facilities to terrorist attack.

Subtitle F—Rocky Flats National Wildlife Refuge

Sec. 3171. Short title.
Sec. 3172. Findings and purposes.
Sec. 3173. Definitions.
Sec. 3174. Future ownership and management.

Sec. 3175. Transfer of management responsibilities and jurisdiction over Rocky Flats.
Sec. 3176. Continuation of environmental cleanup and closure.
Sec. 3177. Rocky Flats National Wildlife Refuge.
Sec. 3178. Comprehensive conservation plan.
Sec. 3179. Property rights.
Sec. 3180. Rocky Flats Museum.
Sec. 3181. Report on funding.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authority to dispose of certain materials in the National Defense Stockpile.
Sec. 3302. Revision of limitations on required disposals of cobalt in the National Defense Stockpile.
Sec. 3303. Acceleration of required disposal of cobalt in the National Defense Stockpile.
Sec. 3304. Revision of restriction on disposal of manganese ferro.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.

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.

SEC. 4. APPLICABILITY OF REPORT OF COMMITTEE ON ARMED SERVICES OF THE SENATE.

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

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

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

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

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

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

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

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

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Navy as follows:

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

(2) For weapons, including missiles and torpedoes, $1,503,475,000.

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

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

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

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

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Air Force as follows:

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

(2) For ammunition, $885,344,000.

(3) For missiles, $3,286,136,000.

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

SEC. 104. DEFENSE-WIDE ACTIVITIES.

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

SEC. 105. DEFENSE INSPECTOR GENERAL.

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

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

There is hereby authorized to be appropriated for the Office of the Secretary of Defense for fiscal year 2002 the amount of $1,153,557,000 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 2002 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 $267,915,000.

Subtitle B—Army Programs

(RESERVED)

Subtitle C—Navy Programs

SEC. 121. VIRGINIA CLASS SUBMARINE PROGRAM.

Section 123(b)(1) 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–25) is amended—

(1) by striking ''five Virginia class submarines'' and inserting ''seven Virginia class submarines''; and

(2) by striking ''through 2006'' and inserting ''2007''.

SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR F/A–18E/F AIRCRAFT ENGINES.

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

SEC. 123. V–22 OSPREY AIRCRAFT PROGRAM.

The production rate for V–22 Osprey aircraft may not be increased above the minimum sustaining production rate for which funds are authorized to be appropriated by this Act until the Secretary of Defense certifies to Congress that successful operational testing of the aircraft demonstrates that—

(1) the solutions to the problems regarding the reliability of hydraulic system components and flight control software that were identified by the panel appointed by the Secretary of Defense on January 5, 2001, to review the V–22 aircraft program are adequate to achieve low risk for crews and passengers aboard V–22 aircraft that are operating under operational conditions;

(2) the V–22 aircraft can achieve reliability and maintainability levels that are sufficient for the aircraft to achieve operational availability at the level required for fleet aircraft;

(3) the V–22 aircraft will be operationally effective—

(A) when employed in operations with other V–22 aircraft; and

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

(4) the V–22 aircraft can be operated effectively, taking into consideration the downwash effects inherent in the operation of the aircraft, when the aircraft—

(A) is operated in remote areas with unimproved terrain and facilities;

(B) is deploying and recovering personnel—

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

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

(C) is operated with external loads.

SEC. 124. ADDITIONAL MATTER RELATING TO V–22 OSPREY AIRCRAFT.

Not later than 30 days before the recommencement of flights of the V–22 Osprey aircraft, the Secretary of Defense shall submit to Congress notice of the waiver, if any, of any item capability or any other requirement specified in the Joint Operational Requirements Document for the V–22 Osprey aircraft, including a justification of each such waiver.

Subtitle D—Air Force Programs

SEC. 131. MULTIYEAR PROCUREMENT AUTHORITY FOR C–17 AIRCRAFT.

Beginning with the 2002 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 the procurement of up to 60 C–17 aircraft.

Subtitle E—Other Matters

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

Section 141(a) 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 2001'' and inserting ''through 2002''.

SEC. 142. PROCUREMENT OF ADDITIONAL M291 SKIN DECONTAMINATION KITS.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR DEFENSE-WIDE PROCUREMENT.—(1) The amount authorized to be appropriated by section 104 for Defense-wide procurement is hereby increased by $2,400,000, with the amount of the increase available for the Navy for procurement of M291 skin decontamination kits.

(2) The amount available under paragraph (1) for procurement of M291 skin decontamination kits is in addition to any other amounts available under this Act for procurement of M291 skin decontamination kits.

(b) OFFSET.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, is hereby decreased by $2,400,000, with the amount to be derived from the amount available for the Technical Studies, Support and Analysis program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

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

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

(2) For the Navy, $11,134,806,000.

(3) For the Air Force, $14,459,457,000.

(4) For Defense-wide activities, $14,099,702,000, of which $221,355,000 is authorized for the Director of Operational Test and Evaluation.

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

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

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

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

SEC. 203. AUTHORIZATION OF ADDITIONAL FUNDS.

(a) AUTHORIZATION.—The amount authorized to be appropriated in section 201(1) is increased by $2,500,000 in PE62303A214 for Enhanced Scramjet Mixing.

(b) OFFSET.—The amount authorized to be appropriated by section 301(5) is reduced by $2,500,000.

SEC. 204. FUNDING FOR SPECIAL OPERATIONS FORCES COMMAND, CONTROL, COMMUNICATIONS, COMPUTERS, AND INTELLIGENCE SYSTEMS THREAT WARNING AND SITUATIONAL AWARENESS PROGRAM.

(a) INCREASED AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, is hereby increased by $2,800,000.

(b) AVAILABILITY.—Of the amount authorized to be appropriated by section 201(4), as increased by subsection (a), $2,800,000 may be available for the Special Operations Forces Command, Control, Communications, Computers, and Intelligence Systems Threat Warning and Situational Awareness (PRIVATEER) program (PE1160405BB).

(c) OFFSET.—The amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities is hereby reduced by $2,800,000.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. F–22 AIRCRAFT PROGRAM.

(a) REPEAL OF LIMITATIONS ON TOTAL COST OF ENGINEERING AND MANUFACTURING DEVELOPMENT.—The following provisions of law are repealed:

(1) Section 217(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660).

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

(3) Section 219(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–38).

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

(A) in subsection (c)—

(i) by striking ''limitations set forth in subsections (a) and (b)'' and inserting ''limitation set forth in subsection (b)''; and

(ii) by striking paragraph (3); and

(B) in subsection (d)(2), by striking subparagraphs (D) and (E).

(2) Section 131 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 536) is amended—

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

''(2) That the production phase for that program can be executed within the limitation on total cost applicable to that program under section 217(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660).''; and

(B) in subsection (b)(3), by striking ''for the remainder of the engineering and manufacturing development phase and''.

SEC. 212. C–5 AIRCRAFT RELIABILITY ENHANCEMENT AND REENGINING.

The Secretary of the Air Force shall ensure that engineering manufacturing and development under the C–5 aircraft reliability enhancement and reengining program includes kit development for an equal number of C–5A and C–5B aircraft.

SEC. 213. REVIEW OF ALTERNATIVES TO THE V–22 OSPREY AIRCRAFT.

(a) REQUIREMENT FOR REVIEW.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall conduct a review of the requirements of the Marine Corps and the Special Operations Command that the V–22 Osprey aircraft is intended to meet in order to identify the potential alternative means for meeting those requirements if the V–22 Osprey aircraft program were to be terminated.

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

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

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

(c) FUNDING.—Of the amount authorized to be appropriated by section 201(2), $5,000,000 shall be available for carrying out the review required by this section.

SEC. 214. JOINT BIOLOGICAL DEFENSE PROGRAM.

Section 217(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–36) is amended by striking ''funds authorized to be appropriated by this Act may not'' and inserting ''no funds authorized to be appropriated to the Department of Defense for fiscal year 2002 may''.

SEC. 215. REPORT ON V–22 OSPREY AIRCRAFT BEFORE DECISION TO RESUME FLIGHT TESTING.

Not later than 30 days before the planned date to resume flight testing of the V–22 Osprey aircraft, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to Congress a report containing the following:

(1) A comprehensive description of the status of the hydraulics system and flight control software of the V–22 Osprey Aircraft, including—

(A) a description and analysis of any deficiencies in the hydraulics system and flight control software of the V–22 Osprey aircraft; and

(B) a description and assessment of the actions taken to redress such deficiencies.

(2) A description of the current actions, and any proposed actions, of the Department of Defense to implement the recommendations of the Panel to Review the V–22 Program.

(3) An assessment of the recommendations of the National Aeronautics and Space Administration in its report on tiltrotor aeromechanics.

SEC. 216. BIG CROW PROGRAM AND DEFENSE SYSTEMS EVALUATION PROGRAM.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, is hereby increased by $6,500,000, with the amount of the increase to be available for operational test and evaluation (PE605118D).

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

(1) $5,000,000 may be available for the Big Crow program; and

(2) $1,500,000 may be available for the Defense Systems Evaluation (DSE) program.

(c) OFFSET.—The amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities is hereby reduced by $6,500,000.

Subtitle C—Other Matters

SEC. 231. TECHNOLOGY TRANSITION INITIATIVE.

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

''§ 2355. Technology Transition Initiative

''(a) REQUIREMENT FOR PROGRAM.—The Secretary of Defense shall carry out a Technology Transition Initiative to facilitate the rapid transition of new technologies from science and technology programs of the Department of Defense into acquisition programs for the production of the technologies.

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

''(1) To successfully demonstrate new technologies in relevant environments.

''(2) To ensure that new technologies are sufficiently mature for production.

''(c) MANAGEMENT.—(1) The Secretary of Defense shall designate a senior official in the Office of the Secretary of Defense to manage the Initiative.

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

''(3) The Initiative Manager shall—

''(A) in consultation with the Commander of the Joint Forces Command, identify promising technologies that have been demonstrated in science and technology programs of the Department of Defense;

''(B) identify potential sponsors in the Department of Defense to undertake the transition of such technologies into production;

''(C) work with the science and technology community and the acquisition community to develop memoranda of agreement, joint funding agreements, and other cooperative arrangements to provide for the transition of the technologies into production; and

''(D) provide funding support for selected projects as provided under subsection (d).

''(d) JOINTLY FUNDED PROJECTS.—(1) The senior procurement executive of each military department shall select technology projects of the military department to recommend for funding support under the Initiative and shall submit a list of the recommended projects, ranked in order of priority, to the Initiative Manager. The projects shall be selected, in a competitive process, on the basis of the highest potential benefits in areas of interest identified by the Secretary of that military department.

''(2) The Initiative Manager, in consultation with the Commander of the Joint Forces Command, shall select projects for funding support from among the projects on the lists submitted under paragraph (1). The Initiative Manager shall provide funds, out of the Technology Transition Fund, for each selected project. The total amount provided for a project shall be an amount that equals or exceeds 50 percent of the total cost of the project.

''(3) The senior procurement executive of the military department shall manage each project selected under paragraph (2) that is undertaken by the military department. Memoranda of agreement, joint funding agreements, and other cooperative arrangements between the science and technology community and the acquisition community shall be used in carrying out the project if the senior procurement executive determines that it is appropriate to do so to achieve the objectives of the project.

''(e) TECHNOLOGY TRANSITION FUND.—(1) There is established in the Treasury of the United States a fund to be known as the 'Technology Transition Fund'.

''(2) Subject to the authority, direction, and control of the Secretary of Defense, the

Initiative Manager shall administer the Fund consistent with the provisions of this section.

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

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

''(5) The President shall specify in the budget submitted for a fiscal year pursuant to section 1105(a) of title 31 the amount provided in that budget for the Initiative.

''(f) DEFINITIONS.—In this section:

''(1) The term 'Initiative' means the Technology Transition Initiative carried out under this section.

''(2) The term 'Initiative Manager' means the official designated to manage the Initiative under subsection (c).

''(3) The term 'Fund' means the Technology Transition Fund established under subsection (e).

''(4) The term 'senior procurement executive', with respect to a military department, means the official designated as the senior procurement executive for that military department under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).''.

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

''2355. Technology Transition Initiative.''.

SEC. 232. COMMUNICATION OF SAFETY CONCERNS BETWEEN OPERATIONAL TESTING AND EVALUATION OFFICIALS AND PROGRAM MANAGERS.

Section 139 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) The Director shall ensure that safety concerns developed during the operational test and evaluation of a weapon system under a major defense acquisition program are timely communicated to the program manager for consideration in the acquisition decisionmaking process.''.

SEC. 233. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2001 FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION DEFENSE-WIDE.

Section 201(4) of Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–32) is amended by striking ''$10,873,712,000'' and inserting ''$10,874,712,000''.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2002 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, $21,134,982,000.

(2) For the Navy, $26,927,931,000.

(3) For the Marine Corps, $2,911,339,000.

(4) For the Air Force, $25,993,582,000.

(5) For Defense-wide activities, $12,482,532,000.

(6) For the Army Reserve, $1,803,146,000.

(7) For the Naval Reserve, $1,000,369,000.

(8) For the Marine Corps Reserve, $142,956,000.

(9) For the Air Force Reserve, $2,029,866,000.

(10) For the Army National Guard, $3,697,659,000.

(11) For the Air National Guard, $4,037,161,000.

(12) For the Defense Inspector General, $149,221,000.

(13) For the United States Court of Appeals for the Armed Forces, $9,096,000.

(14) For Environmental Restoration, Army, $389,800,000.

(15) For Environmental Restoration, Navy, $257,517,000.

(16) For Environmental Restoration, Air Force, $385,437,000.

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

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

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

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

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

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

(23) For Cooperative Threat Reduction programs, $403,000,000.

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

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

SEC. 302. WORKING CAPITAL FUNDS.

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

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

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

SEC. 303. ARMED FORCES RETIREMENT HOME.

(a) AMOUNT FOR FISCAL YEAR 2002.—There is hereby authorized to be appropriated for fiscal year 2002 from the Armed Forces Retirement Home Trust Fund the sum of $71,440,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

(b) AMOUNTS PREVIOUSLY AUTHORIZED.—Of amounts appropriated from the Armed Forces Retirement Home Trust Fund for fiscal years before fiscal year 2002 by Acts enacted before the date of the enactment of this Act, an amount of $22,400,000 shall be available for those fiscal years, to the same extent as is provided in appropriation Acts, for the development and construction of a blended use, multicare facility at the Naval Home and for the acquisition of a parcel of real property adjacent to the Naval Home, consisting of approximately 15 acres, more or less.

SEC. 304. 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 2002.—Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, $35,000,000 shall be available only for the purpose of providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2002, the Secretary of Defense shall notify each local educational agency that is eligible for educational agencies assistance for fiscal year 2002 of—

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

(2) the amount of the educational agencies 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. 305. AMOUNT FOR IMPACT AID FOR CHILDREN WITH SEVERE DISABILITIES.

Of the amount authorized to be appropriated under section 301(5), $5,000,000 shall be available for payments under section 363 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–77).

SEC. 306. IMPROVEMENTS IN INSTRUMENTATION AND TARGETS AT ARMY LIVE FIRE TRAINING RANGES.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR OPERATION AND MAINTENANCE, ARMY.—The amount authorized to be appropriated by section 301(1) for the Army for operation and maintenance is hereby increased by $11,900,000 for improvements in instrumentation and targets at Army live fire training ranges.

(b) OFFSET.—The amount authorized to be appropriated by section 302(1) for the Department of Defense for the Defense Working Capital Funds is hereby decreased by $11,900,000, with the amount of the decrease to be allocated to amounts available under that section for fuel purchases.

SEC. 307. ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES.

Of the funds authorized to be appropriated for section 301, $230,255,000 shall be available for Environmental Restoration, Formerly Used Defense Sites.

SEC. 308. AUTHORIZATION OF ADDITIONAL FUNDS.

Of the amount authorized to be appropriated by section 301(5), $2,000,000 may be available for the replacement and refurbishment of air handlers and related control systems at Air Force medical centers.

SEC. 309. FUNDS FOR RENOVATION OF DEPARTMENT OF VETERANS AFFAIRS FACILITIES ADJACENT TO NAVAL TRAINING CENTER, GREAT LAKES, ILLINOIS.

(a) AVAILABILITY OF FUNDS FOR RENOVATION.—Subject to subsection (b), of the amount authorized to be appropriated by section 301(2) for operations and maintenance for the Navy, the Secretary of the Navy may make available to the Secretary of Veterans Affairs up to $2,000,000 for relocation of Department of Veterans Affairs activities and associated renovation of existing facilities at the North Chicago Department of Veterans Affairs Medical Center.

(b) LIMITATION.—The Secretary of the Navy may make funds available under subsection (a) only after the Secretary of the Navy and the Secretary of Veterans Affairs enter into an appropriate agreement for the use by the Secretary of the Navy of approximately 48 acres of real property at the North Chicago Department of Veterans Affairs property referred to in subsection (a) for expansion of the Naval Training Center, Great Lakes, Illinois.

Subtitle B—Environmental Provisions

SEC. 311. ESTABLISHMENT IN ENVIRONMENTAL RESTORATION ACCOUNTS OF SUBACCOUNTS FOR UNEXPLODED ORDNANCE AND RELATED CONSTITUENTS.

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

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

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

''(b) SUB-ACCOUNTS FOR UNEXPLODED ORDNANCE AND RELATED CONSTITUENTS.—There is hereby established within each environmental restoration account established under subsection (a) a sub-account to be known as the 'Environmental Restoration Sub-Account, Unexploded Ordnance and Related Constituents', for the account concerned.''.

SEC. 312. ASSESSMENT OF ENVIRONMENTAL REMEDIATION OF UNEXPLODED ORDNANCE AND RELATED CONSTITUENTS.

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

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

(1) an estimate of the aggregate projected costs of the remediation of unexploded ordnance and related constituents at all active facilities of the Department;

(2) an estimate of the aggregate projected costs of the remediation of unexploded ordnance and related constituents at all installations that are being, or have been, closed or realigned under the base closure laws as of the date of the report under subsection (a);

(3) an estimate of the aggregate projected costs of the remediation of unexploded ordnance and related constituents at all formerly used defense sites;

(4) a comprehensive plan for addressing the unexploded ordinance and related constituents referred to in paragraphs (1) through (3), including an assessment of the funding required and the period of time over which such funding will be provided; and

(5) an assessment of the technology available for the remediation of unexploded ordnance and related constituents, an assessment of the impact of improved technology on the cost of remediation of such ordnance and constituents, and a plan for the development and utilization of such improved technology.

(c) REQUIREMENTS FOR ESTIMATES.—(1) The estimates of aggregate projected costs under each of paragraphs (1), (2), and (3) of subsection (b) shall—

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

(B) set forth the differing assumptions underlying each such low estimate and high estimate, including—

(i) any public uses for the facilities, installations, or sites concerned that will be available after the remediation has been completed;

(ii) the extent of the cleanup required to make the facilities, installations, or sites concerned available for such uses; and

(iii) the technologies to be applied to utilized this purpose; and

(C) include, and identify separately, an estimate of the aggregate projected costs of the remediation of any ground water contamination that may be caused by unexploded ordnance and related constituents at the facilities, installations, or sites concerned.

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

(3) The estimate of the aggregate projected costs of remediation of ground water contamination under paragraph (1)(C) shall be based on a comprehensive assessment of the risk of such contamination and of the actions required to protect the ground water supplies concerned.

SEC. 313. DEPARTMENT OF DEFENSE ENERGY EFFICIENCY PROGRAM.

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

(b) RESPONSIBLE OFFICIALS.—The Secretary shall designate a senior official of the Department of Defense to be responsible for managing the program for the Department and a senior official of each military department to be responsible for managing the program for such department.

(c) ENERGY EFFICIENCY GOALS.—The goal of the program shall be to achieve reductions in energy consumption by Department facilities as follows:

(1) In the case of industrial and laboratory facilities, reductions in the average energy consumption per square foot of such facilities, per unit of production or other applicable unit, relative to energy consumption in 1990—

(A) by 20 percent by 2005; and

(B) by 25 percent by 2010.

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

(A) by 30 percent by 2005; and

(B) by 35 percent by 2010.

(d) STRATEGIES FOR IMPROVING ENERGY EFFICIENCY.—In order to achieve the goals set forth in subsection (c), the Secretary shall, to the maximum extent practicable—

(1) purchase energy-efficient products, as so designated by the Environmental Protection Agency and the Department of Energy, and other energy-efficient products;

(2) utilize energy savings performance contracts, utility energy-efficiency service contracts, and other contracts designed to achieve energy conservation;

(3) use life-cycle cost analysis, including assessment of life-cycle energy costs, in making decisions about investments in products, services, construction, and other projects;

(4) conduct energy efficiency audits for approximately 10 percent of all Department of Defense facilities each year;

(5) explore opportunities for energy efficiency in industrial facilities for steam systems, boiler operation, air compressor systems, industrial processes, and fuel switching; and

(6) retire inefficient equipment on an accelerated basis where replacement results in lower life-cycle costs.

(e) REPORTS.— Not later than January 1, 2002, and annually thereafter through 2010, the Secretary shall submit to the congressional defense committees a report on progress made toward achieving the goals set forth in subsection (c). Each report shall include, at a minimum—

(1) the percentage reduction in energy consumption accomplished as of the date of such report by the Department, and by each of the military departments, in facilities covered by the goals set forth in subsection (c)(1);

(2) the percentage reduction in energy consumption accomplished as of the date of such report by the Department, and by each of the military departments, in facilities covered by the goals set forth in subsection (c)(2); and

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

SEC. 314. EXTENSION OF PILOT PROGRAM FOR SALE OF AIR POLLUTION EMISSION REDUCTION INCENTIVES.

Section 351(a)(2) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 2701 note) is amended by striking ''September 30, 2001'' and inserting ''September 30, 2003''.

SEC. 315. REIMBURSEMENT OF ENVIRONMENTAL PROTECTION AGENCY FOR CERTAIN RESPONSE COSTS IN CONNECTION WITH HOOPER SANDS SITE, SOUTH BERWICK, MAINE.

(a) AUTHORITY TO REIMBURSE.—Using amounts specified in subsection (c), the Secretary of the Navy may pay $1,005,478 to the Hooper Sands Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) to reimburse the Environmental Protection Agency for the response costs incurred by the Environmental Protection Agency for actions taken between May 12, 1992, and July 31, 2000, pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) at the Hooper Sands site in South Berwick, Maine, in accordance with the Interagency Agreement entered into by the Department of the Navy and the Environmental Protection Agency in January 2001.

(b) TREATMENT OF REIMBURSEMENT.—Payment of the amount authorized by subsection (a) shall be in full satisfaction of amounts due from the Department of the Navy to the Environmental Protection Agency for the response costs described in that subsection.

(c) SOURCE OF FUNDS.—Payment under subsection (a) shall be made using amounts authorized to be appropriated by section 301(15) to the Environmental Restoration Account, Navy, established by section 2703(a)(3) of title 10, United States Code.

SEC. 316. CONFORMITY OF SURETY AUTHORITY UNDER ENVIRONMENTAL RESTORATION PROGRAM WITH SURETY AUTHORITY UNDER SUPERFUND.

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

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

(a) DEFENSE FLEETS NOT COVERED BY REQUIREMENT IN ENERGY POLICY ACT OF 1992.—(1) The Secretary of Defense shall coordinate with the Administrator of General Services to ensure that only hybrid electric vehicles are procured by the Administrator for the Department of Defense fleet of light duty trucks that is not in a fleet of vehicles to which section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) applies.

(2) The Secretary, in consultation with the Administrator, may waive the policy regarding the procurement of hybrid electric vehicles in paragraph (1) to the extent that the Secretary determines necessary—

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

(B) to procure vehicles consistent with the standards applicable to the procurement of fleet vehicles for the Federal Government; or

(C) to adjust to limitations on the commercial availability of light duty trucks that are hybrid electric vehicles.

(3) This subsection applies with respect to procurements of light duty trucks in fiscal year 2005 and subsequent fiscal years.

(b) REQUIREMENT TO EXCEED REQUIREMENT IN ENERGY POLICY ACT OF 1992.—(1) The Secretary of Defense shall coordinate with the Administrator of General Services to ensure that, of the light duty trucks procured in fiscal years after fiscal year 2004 for the fleets of light duty vehicles of the Department of Defense to which section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) applies—

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

(B) ten percent of the total number of such trucks that are procured in each fiscal year after fiscal year 2006 are alternative fueled vehicles or hybrid electric vehicles.

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

(c) REPORT ON PLANS FOR IMPLEMENTATION.—At the same time that the President submits the budget for fiscal year 2003 to Congress under section 1105(a) of title 31, United States Code, the Secretary shall submit to Congress a report summarizing the plans for carrying out subsections (a) and (b).

(d) DEFINITIONS.—In this section:

(1) The term ''hybrid electric vehicle'' means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are both—

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

(B) a rechargeable energy storage system.

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

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 321. REBATE AGREEMENTS WITH PRODUCERS OF FOODS PROVIDED UNDER THE SPECIAL SUPPLEMENTAL FOOD PROGRAM.

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

(1) by striking ''(b) FUNDING MECHANISM.—'' and inserting ''(b) FUNDING.—(1); and

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

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

''(i) the Secretary of Defense to procure that particular brand of food, exclusive of other brands of the same or similar food, for the purpose of providing the food in commissary stores of the Department of Defense as a supplemental food under the program; and

''(ii) the producer to rebate to the Department of Defense amounts equal to agreed portions of the amounts paid by the department for the procurement of that particular brand of food for the program.

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

''(C) The period covered by a contract entered into under this paragraph may not exceed one year. No such contract may be extended by a modification of the contract, by exercise of an option, or by any other means. Nothing in this subparagraph prohibits a contractor under a contract entered into under this paragraph for any year from submitting an offer for, and being awarded, a contract that is to be entered into under this paragraph for a successive year.

''(D) Amounts rebated under a contract entered into under subparagraph (A) shall be credited to the appropriation available for carrying out the program under this section in the fiscal year in which rebated, shall be merged with the other sums in that appropriation, and shall be available for the program for the same period as the other sums in the appropriation.''.

SEC. 322. REIMBURSEMENT FOR USE OF COMMISSARY FACILITIES BY MILITARY DEPARTMENTS FOR PURPOSES OTHER THAN COMMISSARY SALES.

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

''§ 2483. Commissary stores: reimbursement for use of commissary facilities by military departments

''(a) PAYMENT REQUIRED.—The Secretary of a military department shall pay the Defense Commissary Agency the amount determined under subsection (b) for any use of a commissary facility by the military department for a purpose other than commissary sales or operations in support of commissary sales.

''(b) AMOUNT.—The amount payable under subsection (a) for use of a commissary facility by a military department shall be equal to the share of depreciation of the facility that is attributable to that use, as determined under regulations prescribed by the Secretary of Defense.

''(c) COVERED FACILITIES.—This section applies with respect to a commissary facility that is acquired, constructed, converted, expanded, installed, or otherwise improved (in whole or in part) with the proceeds of an adjustment or surcharge applied under section 2486(c) of this title.

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

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

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

SEC. 323. PUBLIC RELEASES OF COMMERCIALLY VALUABLE INFORMATION OF COMMISSARY STORES.

(a) LIMITATIONS AND AUTHORITY.—Section 2487 of title 10, United States Code, is amended to read as follows:

''§ 2487. Commissary stores: release of certain commercially valuable information to the public

''(a) AUTHORITY TO LIMIT RELEASE.—(1) The Secretary of Defense may limit the release to the public of any information described in paragraph (2) if the Secretary determines that it is in the best interest of the Department of Defense to limit the release of such information. If the Secretary determines to limit the release of any such information, the Secretary may provide for limited release of such information in accordance with subsection (b).

''(2) Paragraph (1) applies to the following:

''(A) Information contained in the computerized business systems of commissary stores or the Defense Commissary Agency that is collected through or in connection with the use of electronic scanners in commissary stores, including the following information:

''(i) Data relating to sales of goods or services.

''(ii) Demographic information on customers.

''(iii) Any other information pertaining to commissary transactions and operations.

''(B) Business programs, systems, and applications (including software) relating to commissary operations that were developed with funding derived from commissary surcharges.

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

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

''(A) the manufacturer or producer of that item; or

''(B) the manufacturer or producer's agent when necessary to accommodate electronic ordering of the item by commissary stores.

''(3) The Secretary of Defense may, by contract entered into with a business, grant to the business a license to use business programs referred to in subsection (a)(2)(B), including software used in or comprising any such program. The fee charged for the license shall be based on the costs of similar programs developed and marketed by businesses in the private sector, determined by means of surveys.

''(4) Each contract entered into under this subsection shall specify the amount to be paid for information released or a license granted under the contract, as the case may be.

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

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

''(e) DEFINITIONS.—In this section, the term 'commissary surcharge' means any adjustment or surcharge applied under section 2486(c) of this title.''.

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

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

Subtitle D—Other Matters

SEC. 331. CODIFICATION OF AUTHORITY FOR DEPARTMENT OF DEFENSE SUPPORT FOR COUNTERDRUG ACTIVITIES OF OTHER GOVERNMENTAL AGENCIES.

(a) AUTHORITY.—(1) Chapter 18 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 383. Additional support for counterdrug activities of other agencies

''(a) SUPPORT TO OTHER AGENCIES.—The Secretary of Defense may provide support for the counterdrug activities of any other department or agency of the Federal Government or of any State, local, or foreign law enforcement agency for any of the purposes set forth in subsection (b) if such support is requested—

''(1) by the official who has responsibility for the counterdrug activities of the department or agency of the Federal Government, in the case of support for the department or agency;

''(2) by the appropriate official of a State or local government, in the case of support

for the State or local law enforcement agency; or

''(3) by an appropriate official of a department or agency of the Federal Government that has counterdrug responsibilities, in the case of support for a foreign law enforcement agency.

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

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

''(A) preserving the potential future utility of such equipment for the Department of Defense; and

''(B) upgrading such equipment to ensure compatibility of that equipment with other equipment used by the Department of Defense.

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

''(A) ensuring that the equipment being maintained or repaired is compatible with equipment used by the Department of Defense; and

''(B) upgrading such equipment to ensure the compatibility of that equipment with equipment used by the Department of Defense.

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

''(4) The establishment (including an unspecified minor military construction project) and operation of bases of operations or training facilities for the purpose of facilitating counterdrug activities of the Department of Defense or any Federal, State, or local law enforcement agency within or outside the United States or counterdrug activities of a foreign law enforcement agency outside the United States.

''(5) Counterdrug related training of law enforcement personnel of the Federal Government, of State and local governments, and of foreign countries, including associated support expenses for trainees and the provision of materials necessary to carry out such training.

''(6) The detection, monitoring, and communication of the movement of—

''(A) air and sea traffic within 25 miles of and outside the geographic boundaries of the United States; and

''(B) surface traffic outside the geographic boundary of the United States and within the United States not to exceed 25 miles of the boundary if the initial detection occurred outside of the boundary.

''(7) Construction of roads and fences and installation of lighting to block drug smuggling corridors across international boundaries of the United States.

''(8) Establishment of command, control, communications, and computer networks for improved integration of law enforcement, active military, and National Guard activities.

''(9) The provision of linguist and intelligence analysis services.

''(10) Aerial and ground reconnaissance.

''(c) LIMITATION ON COUNTERDRUG REQUIREMENTS.—The Secretary of Defense may not limit the requirements for which support may be provided under subsection (a) only to critical, emergent, or unanticipated requirements.

''(d) CONTRACT AUTHORITY.—In carrying out subsection (a), the Secretary of Defense may acquire services or equipment by contract for support provided under that subsection if the Department of Defense would normally acquire such services or equipment by contract for the purpose of conducting a similar activity for the Department of Defense.

''(e) LIMITED WAIVER OF PROHIBITION—Notwithstanding section 376 of this title, the Secretary of Defense may provide support pursuant to subsection (a) in any case in which the Secretary determines that the provision of such support would adversely affect the military preparedness of the United States in the short term if the Secretary determines that the importance of providing such support outweighs such short-term adverse effect.

''(f) CONDUCT OF TRAINING OR OPERATION TO AID CIVILIAN AGENCIES.—In providing support pursuant to subsection (a), the Secretary of Defense may plan and execute otherwise valid military training or operations (including training exercises undertaken pursuant to section 1206(a) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1564; 10 U.S.C. 124 note)) for the purpose of aiding civilian law enforcement agencies.

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

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

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

''(2) Paragraph (1) applies to an unspecified minor military construction project that—

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

''(B) has an estimated cost of more than $500,000.

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

''(A) The Committee on Armed Services and the Committee on Appropriations of the Senate.

''(B) The Committee on Armed Services and the Committee on Appropriations of the House of Representatives.''.

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

''383. Additional support for counterdrug activities of other agencies.''.

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

(c) SAVINGS PROVISION.—The repeal of section 1004 of the National Defense Authorization Act for Fiscal Year 1991 by subsection (b) shall not affect any support provided under that section that is ongoing as of the date of the enactment of this Act. The support may be continued in accordance with section 383 of title 10, United States Code, as added by subsection (a).

SEC. 332. EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

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

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

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

(a) AUTHORITY TO MAKE GRANT.—The Secretary of the Air Force may, using amounts specified in subsection (d), make a grant to the Lafayette Escadrille Memorial Foundation, Inc., for purposes of the repair, restoration, and preservation of the structure, plaza, and surrounding grounds of the Lafayette Escadrille Memorial in Marnes la-Coquette, France.

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

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

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

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

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

''(5)(A) The Secretary of the Navy may, before the submittal of the joint certification referred to in paragraph (3)(D), contract for one or more additional increments of work stations under the Navy-Marine Corps Intranet contract, with the number of work stations to be ordered in each additional increment to be determined by the Under Secretary of Defense for Acquisition, Technology, and Logistics.

''(B) Upon determining the number of work stations in an additional increment for purposes of subparagraph (A), the Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to the congressional defense committees a report, current as of the date of such determination, on the following:

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

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

''(iii) The number of work stations to be contracted for in the additional increment.

''(C) The Under Secretary of Defense for Acquisition, Technology, and Logistics may not make a determination to order any number of work stations to be contracted for

under subparagraph (A) in excess of the number permitted under paragraph (2) until—

''(i) the completion of a three-phase contractor test and user evaluation, observed by the Department of Defense, of the work stations operating on the Navy-Marine Corps Intranet at the first three sites under the Navy-Marine Corps Intranet program; and

''(ii) the Chief Information Officer of the Navy has certified to the Secretary of the Navy and the Chief Information Officer of the Department of Defense that the results of the test and evaluation referred to in clause (i) are acceptable.

''(D) The Under Secretary of Defense for Acquisition, Technology, and Logistics may not make a determination to order any number of work stations to be contracted for under subparagraph (A) in excess of the number provided for under subparagraph (C) until—

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

''(ii) the work stations referred to in clause (i) have met service-level agreements specified in the Navy-Marine Corps Intranet contract for not less than 30 days, as determined by contractor performance measurement under oversight by the Department of the Navy; and

''(iii) the Chief Information Officer of the Department of Defense and the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence jointly certify to the congressional defense committees that the results of testing of the work stations referred to in clause (i) are acceptable.''.

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

''(f) DEFINITIONS.—In this section:

''(1) The term 'Navy-Marine Corps Intranet contract' means a contract providing for a long-term arrangement of the Department of the Navy with the commercial sector that imposes on the contractor a responsibility for, and transfers to the contractor the risk of, providing and managing the significant majority of desktop, server, infrastructure, and communication assets and services of the Department of the Navy.

''(2) The term 'provide', in the case of a work station under the Navy-Marine Corps Intranet contract, means transfer of the legacy information infrastructure and systems of the user of the work station to Navy-Marine Corps Intranet infrastructure and systems of the work station under the Navy-Marine Corps Intranet contract and performance thereof consistent with the service-level agreements specified in the Navy-Marine Corps Intranet contract.''.

SEC. 335. REVISION OF AUTHORITY TO WAIVE LIMITATION ON PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

(a) IN GENERAL.—Section 2466(c) of title 10, United States Code, is amended to read as follows:

''(c) WAIVER OF LIMITATION.—(1) The Secretary of Defense may waive the limitation in subsection (a) for a fiscal year if—

''(A) the Secretary of Defense determines that the waiver is necessary for reasons of national security; and

''(B) the Secretary of Defense submits to Congress a notification of the waiver together with the reasons for the waiver; and

''(2) The Secretary of Defense may not delegate the authority to exercise the waiver authority under paragraph (1).''.

(b) REPORT.—The Secretary of Defense shall provide a report to Congress not later than January 31, 2002 that outlines the Secretary's strategy regarding the operations of the public depots.

SEC. 336. REAUTHORIZATION OF WARRANTY CLAIMS RECOVERY PILOT PROGRAM.

(a) EXTENSION OF AUTHORITY.—Subsection (f) of section 391 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1716; 10 U.S.C. 2304 note) is amended by striking ''September 30, 1999'' and inserting ''September 30, 2003''.

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

(1) in paragraph (1), by striking ''January 1, 2000'' and inserting ''January 1, 2003''; and

(2) in paragraph (2), by striking ''March 1, 2000'' and inserting ''March 1, 2003''.

SEC. 337. FUNDING FOR LAND FORCES READINESS-INFORMATION OPERATIONS SUSTAINMENT.

Of the amount authorized to be appropriated by section 301(6), $5,000,000 may be available for land forces readiness-information operations sustainment.

SEC. 338. DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER EXPANDED ARABIC LANGUAGE PROGRAM.

Of the amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army, $650,000 may be available for the Defense Language Institute Foreign Language Center (DLIFLC) for an expanded Arabic language program.

SEC. 339. CONSEQUENCE MANAGEMENT TRAINING.

Of the amount authorized to be appropriated by section 301(5), $5,000,000 may be available for the training of members of the Armed Forces (including reserve component personnel) in the management of the consequences of an incident involving the use or threat of use of a weapon of mass destruction.

SEC. 340. CRITICAL INFRASTRUCTURE PROTECTION INITIATIVE OF THE NAVY.

Of the amount authorized to be appropriated by section 301(2), $6,000,000 shall be available for the critical infrastructure protection initiative of the Navy.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

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

(1) The Army, 480,000.

(2) The Navy, 376,000.

(3) The Marine Corps, 172,600.

(4) The Air Force, 358,800.

SEC. 402. AUTHORIZED DAILY AVERAGE ACTIVE DUTY STRENGTH FOR NAVY ENLISTED MEMBERS IN PAY GRADE E–8.

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

(b) APPLICABILITY.—The amendment made by subsection (a) shall take effect on October 1, 2001, and shall apply with respect to fiscal years beginning on or after that date.

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, 2002, as follows:

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

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 87,000.

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

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

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

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

(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.

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, 2002, 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, 23,698.

(2) The Army Reserve, 13,406.

(3) The Naval Reserve, 14,811.

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

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

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

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 2002 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

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

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

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

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

SEC. 414. FISCAL YEAR 2002 LIMITATION ON NONDUAL STATUS TECHNICIANS.

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

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

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

(3) For the Air Force Reserve, 0.

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

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

SEC. 415. LIMITATIONS ON NUMBERS OF RESERVE PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES FOR ADMINISTRATION OF RESERVE COMPONENTS.

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

''(a) LIMITATIONS.—(1) Of the total number of members of a reserve component who are serving on full-time reserve component duty

at the end of any fiscal year, the number of those members who may be serving in each of the grades of major, lieutenant colonel, and colonel may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of officers of that reserve component who may be serving in the grade of:		
	Major	Lieutenant Colonel	Colonel
Army Reserve:			
10,000	1,390	740	230
11,000	1,529	803	242
12,000	1,668	864	252
13,000	1,804	924	262
14,000	1,940	984	272
15,000	2,075	1,044	282
16,000	2,210	1,104	291
17,000	2,345	1,164	300
18,000	2,479	1,223	309
19,000	2,613	1,282	318
20,000	2,747	1,341	327
21,000	2,877	1,400	336
Army National Guard:			
20,000	1,500	850	325
22,000	1,650	930	350
24,000	1,790	1,010	370
26,000	1,930	1,085	385
28,000	2,070	1,160	400
30,000	2,200	1,235	405
32,000	2,330	1,305	408
34,000	2,450	1,375	411
36,000	2,570	1,445	411
38,000	2,670	1,515	411
40,000	2,770	1,580	411
42,000	2,837	1,644	411
Marine Corps Reserve:			
1,100	106	56	20
1,200	110	60	21
1,300	114	63	22
1,400	118	66	23
1,500	121	69	24
1,600	124	72	25
1,700	127	75	26
1,800	130	78	27
1,900	133	81	28
2,000	136	84	29
2,100	139	87	30
2,200	141	90	31
2,300	143	92	32
2,400	145	94	33
2,500	147	96	34
2,600	149	98	35
Air Force Reserve:			
500	83	85	50
1,000	155	165	95
1,500	220	240	135
2,000	285	310	170
2,500	350	369	203
3,000	413	420	220
3,500	473	464	230
4,000	530	500	240
4,500	585	529	247
5,000	638	550	254
5,500	688	565	261
6,000	735	575	268
7,000	770	595	280
8,000	805	615	290
10,000	835	635	300
Air National Guard:			
5,000	333	335	251
6,000	403	394	260
7,000	472	453	269
8,000	539	512	278
9,000	606	571	287
10,000	673	630	296
11,000	740	688	305
12,000	807	742	314
13,000	873	795	323
14,000	939	848	332
15,000	1,005	898	341
16,000	1,067	948	350
17,000	1,126	998	359
18,000	1,185	1,048	368
19,000	1,235	1,098	377
20,000	1,283	1,148	380.

''(2) Of the total number of members of the Naval Reserve who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members who may be serving in each of the grades of lieutenant commander, commander, and captain may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

''Total number of members of Naval Reserve serving on full-time reserve component duty:	Number of officers who may be serving in the grade of:		
	Lieutenant commander	Commander	Captain
10,000	807	447	141
11,000	867	467	153

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

''(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in that table at the same proportion as is reflected in the nearest limit shown in the table.

''(c) REALLOCATIONS TO LOWER GRADES.—Whenever the number of officers serving in any grade for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the two numbers may be applied to increase the number authorized under this section for any lower grade.

''(d) SECRETARIAL WAIVER.—Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve officers that may be on full-time reserve component duty for a reserve component in a grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for the grade in that table.

''(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term 'full-time reserve component duty' means the following duty:

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

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

''(3) Active duty described in section 708 of title 32.''.

(b) SENIOR ENLISTED MEMBERS.—The text of section 12012 of title 10, United States Code, is amended to read as follows:

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

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of members of that reserve component who may be serving in the grade of:	
	E–8	E–9
Army Reserve:		
10,000	1,052	154
11,000	1,126	168
12,000	1,195	180
13,000	1,261	191
14,000	1,327	202
15,000	1,391	213
16,000	1,455	224
17,000	1,519	235
18,000	1,583	246
19,000	1,647	257
20,000	1,711	268
21,000	1,775	278
Army National Guard:		
20,000	1,650	550
22,000	1,775	615
24,000	1,900	645
26,000	1,945	675
28,000	1,945	705
30,000	1,945	725
32,000	1,945	730
34,000	1,945	735
36,000	1,945	738
38,000	1,945	741
40,000	1,945	743
42,000	1,945	743
Naval Reserve:		
10,000	340	143
11,000	364	156
12,000	386	169
13,000	407	182
14,000	423	195
15,000	435	208
16,000	447	221
17,000	459	234
18,000	471	247
19,000	483	260
20,000	495	273
21,000	507	286
22,000	519	299
23,000	531	312
24,000	540	325
Marine Corps Reserve:		
1,100	50	11
1,200	55	12
1,300	60	13
1,400	65	14
1,500	70	15
1,600	75	16
1,700	80	17
1,800	85	18
1,900	89	19
2,000	93	20
2,100	96	21
2,200	99	22
2,300	101	23
2,400	103	24
2,500	105	25
2,600	107	26
Air Force Reserve:		
500	75	40
1,000	145	75
1,500	208	105
2,000	270	130
2,500	325	150
3,000	375	170
3,500	420	190
4,000	460	210
4,500	495	230
5,000	530	250
5,500	565	270
6,000	600	290
7,000	670	330
8,000	740	370
10,000	800	400
Air National Guard		
5,000	1,020	405
6,000	1,070	435
7,000	1,120	465
8,000	1,170	490
9,000	1,220	510
10,000	1,270	530
11,000	1,320	550
12,000	1,370	570
13,000	1,420	589
14,000	1,470	608
15,000	1,520	626
16,000	1,570	644
17,000	1,620	661
18,000	1,670	678
19,000	1,720	695
20,000	1,770	712.

''(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the table in subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in the table at the same proportion as is reflected in the nearest limit shown in the table.

''(c) REALLOCATIONS TO LOWER GRADE.—Whenever the number of officers serving in pay grade E–9 for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the two numbers may be applied to increase the number authorized under this section for pay grade E–8.

''(d) SECRETARIAL WAIVER.—Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve enlisted members that may be on active duty or full-time National Guard duty as described in subsection (a) for a reserve component in a pay grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for that grade and reserve component in the table.

''(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term 'full-

time reserve component duty' has the meaning given the term in section 12011(e) of this title.''.

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

SEC. 416. STRENGTH AND GRADE LIMITATION ACCOUNTING FOR RESERVE COMPONENT MEMBERS ON ACTIVE DUTY IN SUPPORT OF A CONTINGENCY OPERATION.

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

''(1) increase the end strength authorized pursuant to subsection (a)(1)(A) for a fiscal year for any of the armed forces by—

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

''(B) the number (if any) of the members of the reserve components that, as determined by the Secretary, are on active duty under section 12301(d) of this title in support of a contingency operation.''.

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

''(d) The Secretary of Defense may increase the authorized daily average number of enlisted members on active duty in an armed force in pay grade E–8 or E–9 in a fiscal year, as determined under subsection (a), by the number (if any) of enlisted members of a reserve component of that armed force in that pay grade who, as determined by the Secretary, are on active duty under section 12301(d) of this title in support of a contingency operation.''.

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

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

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

''(e) The Secretary of Defense may increase the limitation on the total number of commissioned officers of an armed force authorized to be serving on active duty at the end of any fiscal year in the grade of O–4, O–5, or O–6, determined under subsection (a), by the number (if any) of commissioned officers of a reserve component of that armed force in that grade who, as determined by the Secretary, are serving on active duty under section 12301(d) of this title in support of a contingency operation.''.

(d) LIMITATION ON AUTHORIZED STRENGTHS FOR GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.—Section 526(a) of such title is amended—

(1) by striking ''LIMITATIONS.—The'' and inserting ''LIMITATIONS.—(1) Except as provided in paragraph (2), the'';

(2) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively; and

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

''(2) The Secretary of Defense may increase the limitation on the number of general and flag officers on active duty, determined under paragraph (1), by the number (if any) of reserve component general and flag officers who, as determined by the Secretary, are serving on active duty under section 12301(d) of this title in support of a contingency operation.''.

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 2002 a total of $82,396,900,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2002.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. GENERAL OFFICER POSITIONS.

(a) INCREASED GRADE FOR VICE CHIEF OF NATIONAL GUARD BUREAU.—Section 10505(c) of title 10, United States Code, is amended by striking ''major general'' and inserting ''lieutenant general''.

(b) INCREASED GRADE FOR HEADS OF NURSE CORPS OF THE ARMED FORCES.—(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 (upper half) 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''.

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

''§ 3071. Veterinary Corps: composition; Chief and assistant chief; appointment; grade

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

''(b) CHIEF.—The Secretary of the Army shall appoint the Chief from the officers of the Regular Army in that corps whose regular grade is above lieutenant colonel and who are recommended by the Surgeon General. An appointee who holds a lower regular grade shall be appointed in the regular grade of brigadier general. The Chief serves during the pleasure of the Secretary, but not for more than four years, and may not be reappointed to the same position.

''(c) ASSISTANT CHIEF.—The Surgeon General shall appoint the assistant chief from the officers of the Regular Army in that corps whose regular grade is above lieutenant colonel. The assistant chief serves during the pleasure of the Surgeon General, but not for more than four years and may not be reappointed to the same position.''.

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

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

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

(1) in paragraph (2)(B), by striking ''16.2 percent'' and inserting ''17.5 percent'';

(2) in paragraph (3)—

(A) by inserting ''(A)'' after ''(3)''; and

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

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

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

''(6)(A) An officer while serving in a position named in subparagraph (B) is in addition to the number that would otherwise be permitted for that officer's armed force for officers serving on active duty in grades above major general under paragraph (1).

''(B) Subparagraph (A) applies with respect to the following positions:

''(i) Chief of the National Guard Bureau.

''(ii) Vice Chief of the National Guard Bureau.''.

(e) REPEAL OF LIMITATION ON NUMBER OF OFFICERS ON ACTIVE DUTY IN THE GRADES OF GENERAL OR ADMIRAL.—(1) Section 528 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 32 of such title is amended by striking the item relating to section 528.

SEC. 502. REDUCTION OF TIME-IN-GRADE REQUIREMENT FOR ELIGIBILITY FOR PROMOTION OF FIRST LIEUTENANTS AND LIEUTENANTS (JUNIOR GRADE).

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

SEC. 503. PROMOTION OF OFFICERS TO THE GRADE OF CAPTAIN IN THE ARMY, AIR FORCE, OR MARINE CORPS OR TO THE GRADE OF LIEUTENANT IN THE NAVY WITHOUT SELECTION BOARD ACTION.

(a) ACTIVE-DUTY LIST PROMOTIONS.—(1) Section 611(a) of title 10, United States Code, is amended by striking ''Under'' and inserting ''Except in the case of promotions recommended under section 624(a)(3) of this title, under''.

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

''(3) The President may, upon a recommendation of the Secretary of the military department concerned approved by the President, promote to the grade of captain (for officers of the Regular Army, Regular Air Force, or Regular Marine Corps) or lieutenant (for officers of the Regular Navy) all fully qualified officers on the active-duty list in the permanent or temporary grade of first lieutenant or lieutenant (junior grade), respectively, who would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 611(a) of this title. The Secretary of a military department may make such a recommendation whenever the Secretary determines that all such officers are needed in the next higher grade to accomplish mission objectives. Promotions under this paragraph shall be effectuated under regulations prescribed by the Secretary of the military department concerned.''.

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

''(d) For the purposes of this chapter—

''(1) a recommendation made by the Secretary of the military department concerned under section 624(a)(3) of this title that is approved by the President shall be treated in the same manner as a report of a promotion selection board convened under section 611(a) of this title that is approved by the President; and

''(2) an officer of the Regular Army, Regular Air Force, or Regular Marine Corps who holds the regular grade of first lieutenant, and an officer of the Regular Navy who holds the regular grade of lieutenant (junior grade), shall be treated as having failed of selection for promotion if the Secretary of the

military department concerned determines that the officer would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 611(a) of this title but is not fully qualified for promotion when recommending for promotion under section 624(a)(3) of this title all fully qualified officers of the officer's armed force in such grade who would be eligible for such consideration.''.

(b) RESERVE ACTIVE-STATUS LIST PROMOTIONS.—(1) Section 14101(a) of such title is amended by striking ''Whenever'' and inserting ''Except in the case of promotions recommended under section 14308(b)(4) of this title, whenever''.

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

''(4) The President may, upon a recommendation of the Secretary of the military department concerned approved by the President, promote to the grade of captain (for officers of a reserve component of the Army, Air Force, or Marine Corps) or lieutenant (for officers of the Naval Reserve) all fully qualified officers on the reserve active-status list in the permanent grade of first lieutenant or lieutenant (junior grade), respectively, who would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 14101(a) of this title. The Secretary of a military department may make such a recommendation whenever the Secretary determines that all such officers are needed in the next higher grade to accomplish mission objectives. Promotions under this paragraph shall be effectuated under regulations prescribed by the Secretary of the military department concerned.''.

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

''(c) For the purposes of this chapter—

''(1) a recommendation made by the Secretary of the military department concerned under section 14308(b)(4) of this title that is approved by the President shall be treated the same as a report of a promotion selection board convened under section 14101(a) of this title that is approved by the President; and

''(2) an officer on a reserve active-status list who holds the grade of first lieutenant (in the case of an officer in a reserve component of the Army, Air Force, or Marine Corps) or the grade of lieutenant (junior grade) (in the case of an officer of the Naval Reserve) shall be treated as having failed of selection for promotion if the Secretary of the military department concerned determines that the officer would be eligible for consideration for promotion to the next higher grade by a selection board convened under section 14101(a) of this title but is not fully qualified for promotion when recommending for promotion under section 14308(b)(4) of this title all fully qualified officers of that officer's reserve component in such grade who would be eligible for such consideration.''.

SEC. 504. AUTHORITY TO ADJUST DATE OF RANK.

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

''(4)(A) The Secretary concerned may adjust the date of rank of an officer appointed to a higher grade under section 624(a) of this title if the appointment is to a grade below O–7 and is delayed by reason of unusual circumstances that cause an unintended delay in the processing or approval of—

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

''(ii) the promotion list established on the basis of that report.

''(B) The adjusted date of rank applicable to the grade of an officer under subparagraph (A) shall be consistent with the officer's position on the promotion list for that grade and competitive category when additional officers in that grade and competitive category were needed and shall also be consistent with compliance with the applicable authorized strengths for officers in that grade and competitive category.

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

''(D) In the case of an officer whose appointment to a higher grade under this section is made by and with the advice and consent of the Senate, the Secretary concerned shall transmit to the Committee on Armed Services of the Senate a notification of any adjustment of a date of rank for the appointment of an officer to a higher grade under subparagraph (A) to a date that is prior to the date of the advice and consent of the Senate on the appointment. The notification shall include the name of the officer and a discussion of the reasons for the adjustment.''.

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

(1) by redesignating paragraph (2) as paragraph (3);

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

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

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

''(ii) the promotion list established on the basis of that report.

''(B) The adjusted date of rank applicable to the grade of an officer under subparagraph (A) shall be consistent with the officer's position on the promotion list for that grade and competitive category when additional officers in that grade and competitive category were needed and shall also be consistent with compliance with the applicable authorized strengths for officers in that grade and competitive category.

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

''(D) In the case of an officer whose appointment to a higher grade under this section is made by and with the advice and consent of the Senate, the Secretary concerned shall transmit to the Committee on Armed Services of the Senate a notification of any adjustment of a date of rank for the appointment of an officer to a higher grade under subparagraph (A) to a date that is prior to the date of the advice and consent of the Senate on the appointment. The notification shall include the name of the officer and a discussion of the reasons for the adjustment.''; and

(3) in paragraph (3), as redesignated by paragraph (1), by inserting ''provided in paragraph (2) or as otherwise'' after ''Except as''.

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

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

(1) by inserting ''(a) DEFERMENT.—'' before ''The Secretary''; and

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

''(b) AUTHORITY TO EXTEND.—In the case of an officer whose retirement or separation under any of sections 632 through 638, or section 1251, of this title is deferred under subsection (a), the Secretary of the military department concerned may extend the deferment by an additional period of not more than 30 days following the completion of the evaluation of the officer's physical condition if the Secretary determines that continuation of the officer would facilitate the officer's transition to civilian life.''.

SEC. 506. EXEMPTION FROM ADMINISTRATIVE LIMITATIONS OF RETIRED MEMBERS ORDERED TO ACTIVE DUTY AS DEFENSE AND SERVICE ATTACHÉS.

(a) LIMITATION OF PERIOD OF RECALLED SERVICE.—Section 688(e)(2) of title 10, United States Code, is amended by adding at the end the following new subparagraph (D):

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

(b) LIMITATION ON NUMBER OF RECALLED OFFICERS ON ACTIVE DUTY.—Section 690(b)(2) of such title is amended by adding at the end the following new subparagraph (E):

''(E) An officer who is assigned to duty as a defense attaché or service attaché for the period of active duty to which ordered.''.

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply with respect to officers serving on active duty as a defense attaché or service attaché on or after the date of the enactment of this Act.

SEC. 507. CERTIFICATIONS OF SATISFACTORY PERFORMANCE FOR RETIREMENTS OF OFFICERS IN GRADES ABOVE MAJOR GENERAL AND REAR ADMIRAL.

Section 1370(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3)(A) The Secretary of Defense may delegate authority to make a certification for an officer under paragraph (1) to the Under Secretary of Defense for Personnel and Readiness or the Deputy Under Secretary of Defense for Personnel and Readiness. The certification authority may not be delegated to any other official.

''(B) If an official to whom authority is delegated under subparagraph (A) determines in the case of an officer that there is potentially adverse information on the officer and that the information has not previously been reported to the Senate in connection with the action of the Senate on a previous appointment of that officer under section 601 of this title, the official may not exercise the authority in that case, but shall refer the case to the Secretary of Defense. The Secretary of Defense shall personally issue or withhold a certification for an officer under paragraph (1) in any case referred to the Secretary under the preceding sentence.''.

SEC. 508. EFFECTIVE DATE OF MANDATORY SEPARATION OR RETIREMENT OF REGULAR OFFICER DELAYED BY A SUSPENSION OF CERTAIN LAWS UNDER EMERGENCY AUTHORITY OF THE PRESIDENT.

Section 12305 of title 10, United States Code, is amended by adding at the end the following new subsection (c):

''(c) In the case of an officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps whose mandatory separation or retirement under section 632, 633, 634, 635, 636, 637, or 1251 of this title is delayed by reason of a suspension under this section, the separation or retirement of the officer upon termination of the suspension shall take effect on the date elected by the officer, but not later than 90 days after the date of the termination of the suspension.''.

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

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

(1) by inserting ''(a) ESTABLISHMENT.—''; and

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

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

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

Subtitle B—Reserve Component Personnel Policy

SEC. 511. REAUTHORIZATION AND EXPANSION OF TEMPORARY WAIVER OF THE REQUIREMENT FOR A BACCALAUREATE DEGREE FOR PROMOTION OF CERTAIN RESERVE OFFICERS OF THE ARMY.

(a) REAUTHORIZATION.—Subsection (b) of section 516 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2008; 10 U.S.C. 12205 note) is amended by striking ''September 30, 2000'' and inserting ''September 30, 2003''.

(b) EXPANSION OF ELIGIBILITY.—Subsection (a) of such section is amended by striking ''before the date of the enactment of this Act''.

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

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

''(D) on active duty under section 12301(d) of this title, other than as provided under subparagraph (C), under a call or order to active duty specifying a period of three years or less and continuation (pursuant to regulations prescribed by the Secretary concerned) on the reserve active-status list;''.

(b) RETROACTIVE ADJUSTMENTS.—(1) The Secretary of the military department concerned—

(A) may place on the active-duty list of the armed force concerned any officer under the jurisdiction of the Secretary who was placed on the reserve active-status list under subparagraph (D) of section 641(1) of title 10, United States Code, as added by section 521(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–108); and

(B) for the purposes of chapter 36 of such title (other than section 640 of such title and, in the case of a warrant officer, section 628 of such title), shall treat an officer placed on the active-duty list under subparagraph (A) as having been on the active-duty list continuously from the date on which the officer was placed on the reserve active-status list as described in that subparagraph.

(2) The Secretary of the military department concerned may place on the reserve active-status list of the armed force concerned, effective as of the date of the enactment of this Act, any officer who was placed on the active-duty list before that date and after October 29, 1997, while on active duty under section 12301(d) of title 10, United States Code, other than as described under section 641(1)(C) of such title, under a call or order to active duty specifying a period of three years or less.

SEC. 513. EQUAL TREATMENT OF RESERVES AND FULL-TIME ACTIVE DUTY MEMBERS FOR PURPOSES OF MANAGING DEPLOYMENTS OF PERSONNEL.

(a) RESIDENCE OF RESERVES AT HOME STATION.—Section 991(b)(2) of title 10, United States Code, is amended to read as follows:

''(2) In the case of a member of a reserve component who is performing active service pursuant to orders that do not establish a permanent change of station, the housing referred to in paragraph (1) is any housing (which may include the member's residence) that the member usually occupies for use during off-duty time when on garrison duty at the member's permanent duty station or homeport, as the case may be.''.

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

SEC. 514. MODIFICATION OF PHYSICAL EXAMINATION REQUIREMENTS FOR MEMBERS OF THE INDIVIDUAL READY RESERVE.

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

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking ''Ready Reserve'' and inserting ''Selected Reserve''; and

(ii) by striking ''his'' and inserting ''the member's''; and

(B) in the second sentence, by striking ''Each Reserve'' and inserting the following: ''(c) Each Reserve'';

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

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

''(b) A member of the Individual Ready Reserve or inactive National Guard shall be examined for physical fitness as necessary to determine the member's physical fitness for military duty or for promotion, attendance at a school of the armed forces, or other action related to career progression.''.

SEC. 515. MEMBERS OF RESERVE COMPONENTS AFFLICTED WHILE REMAINING OVERNIGHT AT DUTY STATION WITHIN COMMUTING DISTANCE OF HOME.

(a) MEDICAL AND DENTAL CARE FOR MEMBERS.—Section 1074a(a)(3) of title 10, United States Code, is amended by inserting before the period at the end the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

(b) MEDICAL AND DENTAL CARE FOR DEPENDENTS.—Section 1076(a)(2)(C) of title 10, United States Code, is amended by inserting before the period at the end the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

(c) ELIGIBILITY FOR DISABILITY RETIREMENT OR SEPARATION.—(1) Section 1204(2)(B)(iii) of title 10, United States Code, is amended by inserting before the semicolon at the end the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

(2) Section 1206(2)(A)(iii) of title 10, United States Code, is amended by inserting before the semicolon the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

(d) RECOVERY, CARE, AND DISPOSITION OF REMAINS.—Section 1481(a)(2)(D) of title 10, United States Code, is amended by inserting before the semicolon at the end the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

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

(1) in subsection (g)(1)(D), by inserting before the semicolon the following: ''or if the member remained overnight for another reason authorized under applicable regulations''; and

(2) in subsection (h)(1)(D), by inserting before the semicolon the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

(f) COMPENSATION FOR INACTIVE-DUTY TRAINING.—Section 206(a)(3)(C) of title 37, United States Code, is amended by inserting before the period at the end the following: ''or if the member remained overnight for another reason authorized under applicable regulations''.

SEC. 516. RETIREMENT OF RESERVE PERSONNEL WITHOUT REQUEST.

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

(b) RETIREMENT FOR FAILURE OF SELECTION OF PROMOTION.—(1) Paragraph (2) of section 14513 of such title is amended by striking '', if the officer is qualified and applies for such transfer'' and inserting ''if the officer is qualified for the transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve''.

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

''§ 14513. Transfer, retirement, or discharge for failure of selection of promotion''.

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

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

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

(1) in paragraph (1), by striking '', if the officer is qualified and applies for such transfer'' and inserting ''if the officer is qualified for the transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve''; and

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

''(2) be discharged from the officer's reserve appointment if the officer is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.''.

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

(1) in paragraph (1), by striking '', if the officer is qualified and applies for such transfer'' and inserting ''if the officer is qualified for the transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve''; and

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

''(2) be discharged from the officer's reserve appointment if the officer is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.''.

(e) DISCHARGE OR RETIREMENT OF WARRANT OFFICERS FOR YEARS OF SERVICE OR AGE.—(1) Chapter 1207 of such title is amended by adding at the end the following new section:

''§ 12244. Warrant officers: discharge or retirement for years of service or for age

''Each reserve warrant officer of the Army, Navy, Air Force, or Marine Corps who is in an active status and has reached the maximum years of service or age prescribed by the Secretary concerned shall—

''(1) be transferred to the Retired Reserve if the warrant officer is qualified for the transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve; or

''(2) be discharged if the warrant officer is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.''.

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

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

(f) DISCHARGE OR RETIREMENT OF ENLISTED MEMBERS FOR YEARS OF SERVICE OR AGE.—(1) Chapter 1203 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12108. Enlisted members: discharge or retirement for years of service or for age

''Each reserve enlisted member of the Army, Navy, Air Force, or Marine Corps who is in an active status and has reached the maximum years of service or age prescribed by the Secretary concerned shall—

''(1) be transferred to the Retired Reserve if the member is qualified for the transfer and does not request (in accordance with regulations prescribed by the Secretary concerned) not to be transferred to the Retired Reserve; or

''(2) be discharged if the member is not qualified for transfer to the Retired Reserve or has requested (in accordance with regulations prescribed by the Secretary concerned) not to be so transferred.''.

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

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

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

SEC. 517. SPACE-REQUIRED TRAVEL BY RESERVES ON MILITARY AIRCRAFT.

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

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

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

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

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

Subtitle C—Education and Training

SEC. 531. IMPROVED BENEFITS UNDER THE ARMY COLLEGE FIRST PROGRAM.

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

(1) in subsection (b)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

''(b) DELAYED ENTRY WITH ALLOWANCE FOR HIGHER EDUCATION.—Under the pilot program, the Secretary may—

''(1) exercise the authority under section 513 of title 10, United States Code—'';

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

(C) in subparagraph (A), as so redesignated, by inserting ''and'' after the semicolon; and

(D) in subparagraph (B), as so redesignated, by striking ''two years after the date of such enlistment as a Reserve under paragraph (1)'' and inserting ''the maximum period of delay determined for the person under subsection (c)''; and

(2) in subsection (c)—

(A) by striking ''paragraph (2)'' and inserting ''paragraph (1)(B)'';

(B) by striking ''two-year period'' and inserting ''30-month period''; and

(C) by striking ''paragraph (1)'' and inserting ''paragraph (1)(A)''.

(b) ALLOWANCE ELIGIBILITY AND AMOUNT.—(1) Such section is further amended—

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

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

(B) in subsection (d)—

(i) by redesignating paragraph (2) as paragraph (4);

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

''(1) The monthly allowance paid under subsection (b)(2) shall be equal to the amount of the subsistence allowance provided for certain members of the Senior Reserve Officers' Training Corps under section 209(a) of title 37, United States Code.

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

''(3) A member of the Selected Reserve of a reserve component may be paid an allowance under this section only for months during which the member performs satisfactorily as a member of a unit of the reserve component that trains as prescribed in section 10147(a)(1) of title 10, United States Code, or section 502(a) of title 32, United States Code. Satisfactory performance shall be determined under regulations prescribed by the Secretary.''

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

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

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

(2) by inserting after subsection (d) the following new subsection:

''(e) INELIGIBILITY FOR LOAN REPAYMENTS.—A person who has received an allowance under this section is not eligible for any benefits under chapter 109 of title 10, United States Code.

(d) RECOUPMENT OF ALLOWANCE.—Such section, as amended by subsection (c), is further amended by inserting after subsection (e) the following new subsection:

''(f) RECOUPMENT OF ALLOWANCE.—(1) A person who, after receiving an allowance under this section, fails to complete the total period of service required of that person in connection with delayed entry authorized for the person under section 513 of title 10, United States Code, shall repay the United States the amount which bears the same ratio to the total amount of that allowance paid to the person as the unserved part of the total required period of service bears to the total period.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge of a person in bankruptcy under title 11, United States Code, that is entered less than five years after the date on which the person was, or was to be, enlisted in the regular Army pursuant to the delayed entry authority under section 513 of title 10, United States Code, does not discharge that person from a debt arising under paragraph (1).

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

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

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

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

SEC. 533. ACCEPTANCE OF FELLOWSHIPS, SCHOLARSHIPS, OR GRANTS FOR LEGAL EDUCATION OF OFFICERS PARTICIPATING IN THE FUNDED LEGAL EDUCATION PROGRAM.

(a) FLEP DETAIL.—Section 2004 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(g) Acceptance of a fellowship, scholarship, or grant as financial assistance for training described in subsection (a) in accordance with section 2603(a) of this title does not disqualify the officer accepting it from also being detailed at a law school for that training under this section. Service obligations incurred under subsection (b)(2)(C) and section 2603(b) of this title with respect to the same training shall be served consecutively.''.

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

''(c) A detail of an officer for training at a law school under section 2004 of this title does not disqualify the officer from also accepting a fellowship, scholarship, or grant under this section as financial assistance for that training. Service obligations incurred under subsection (b) and section 2004(b)(2)(C) of this title with respect to the same training shall be served consecutively.''.

SEC. 534. GRANT OF DEGREE BY DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER.

(a) AUTHORITY.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2167. Defense Language Institute: associate of arts

''Under regulations prescribed by the Secretary of Defense, the Commandant of the Foreign Language Center of the Defense Language Institute may confer an associate of arts degree in foreign language upon graduates of the Institute who fulfill the requirements for the degree, as certified by the Provost of the Institute.''.

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

''2167. Defense Language Institute: associate of arts.''.

SEC. 535. AUTHORITY FOR THE MARINE CORPS UNIVERSITY TO AWARD THE DEGREE OF MASTER OF STRATEGIC STUDIES.

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

''(a) AUTHORITY.—Upon the recommendation of the Director and faculty of a college of the Marine Corps University, the President of the Marine Corps University may confer a degree upon graduates of the college who fulfill the requirements for the degree, as follows:

''(1) For the Marine Corps War College, the degree of master of strategic studies.

''(2) For the Command and Staff College, the degree of master of military studies.''.

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

''§ 7102. Marine Corps University: masters degrees''.

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

''7102. Marine Corps University: masters degrees.''.

(b) CONDITION FOR INITIAL EXERCISE OF AUTHORITY.—(1) The President of the Marine Corps University may exercise the authority provided under section 7102(a)(1) of title 10, United States Code, only after the Secretary of Education has notified the Secretary of the Navy of a determination made under paragraph (2) that the requirements established by the Marine Corps War College of the Marine Corps University for the degree of master of strategic studies are in accordance with the requirements typically imposed for awards of the degree of master of arts by institutions of higher education in the United States.

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

SEC. 536. FOREIGN PERSONS ATTENDING THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Subsection (a)(1) of section 4344 of title 10, United States Code, is amended by striking ''not more than 40 persons'' and inserting ''not more than 60 persons''.

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

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

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

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

(b) UNITED STATES NAVAL ACADEMY.—(1) Subsection (a)(1) of section 6957 of such title is amended by striking ''not more than 40 persons'' and inserting ''not more than 60 persons''.

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

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

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

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

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

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

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

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

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

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

SEC. 537. EXPANSION OF FINANCIAL ASSISTANCE PROGRAM FOR HEALTH-CARE PROFESSIONALS IN RESERVE COMPONENTS TO INCLUDE STUDENTS IN PROGRAMS OF EDUCATION LEADING TO INITIAL DEGREE IN MEDICINE OR DENTISTRY.

(a) MEDICAL AND DENTAL STUDENT STIPEND.—Section 16201 of title 10, United States Code, is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

''(e) PROGRAMS LEADING TO INITIAL MEDICAL OR DENTAL DEGREE.—(1) Under the stipend program under this chapter, the Secretary of the military department concerned may enter into an agreement with a person who—

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

''(B) is enrolled or has been accepted for enrollment in an accredited medical or dental school in a program of education and training that results in an initial degree in medicine or dentistry.

''(2) Under the agreement—

''(A) the Secretary of the military department concerned shall agree to pay the participant a stipend, in the amount determined under subsection (f), for the period or the remainder of the period that the student is satisfactorily progressing toward an initial degree in medicine or dentistry in a program of an accredited medical or dental school;

''(B) the participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Ready Reserve;

''(C) the participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

''(D) the participant shall agree—

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

''(ii) to accept an appointment or designation in the participant's reserve component, if tendered, based upon the participant's health profession, following satisfactory completion of the educational and internship components of the program of education and training;

''(iii) if required by regulations prescribed by the Secretary of Defense, to apply for (if eligible) and accept (if offered) residency training in a health profession skill that has been designated by the Secretary of Defense as a skill critically needed by the armed forces in wartime; and

''(iv) to serve in the Selected Reserve, upon successful completion of the program, for the period of service applicable under paragraph (3).

''(3)(A) Except as provided in subparagraph (B), the minimum period for which a participant shall serve in the Selected Reserve under the agreement pursuant to paragraph (2)(D)(iv) shall be one year in the Selected Reserve for each six months, or part thereof, for which the participant is provided a stipend pursuant to the agreement.

''(B) If a participant referred to in subparagraph (A) enters into an agreement under subsection (b) and, after completing a program of education and training for which a stipend was provided under this subsection, successfully completes residency training in the specialty covered by the agreement, the minimum period for which the participant shall serve in the Selected Reserve under that agreement and the agreement under this subsection shall be one year for each year, or part thereof, for which a stipend was provided under this chapter.''.

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

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

(1) by striking ''SPECIALTIES.—'' and inserting ''WARTIME SPECIALTIES.—''; and

(2) in paragraph (1)(B), by inserting '', or has been appointed,'' after ''assignment''.

(d) SERVICE OBLIGATION FOR STIPEND FOR OTHER PROFESSIONAL PROGRAMS.—(1) Subsection (b)(2)(D) of such section by striking ''agree to serve, upon successful completion of the program, two years in the Ready Reserve for each year,'' and inserting ''agree (subject to subsection (e)(3)(B)) to serve, upon successful completion of the program, one year in the Ready Reserve for each six months,''.

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

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

(A) in the first sentence—

(i) by inserting ''in health professions and'' after ''qualified''; and

(ii) by striking ''training in such'' and inserting ''education and training in such professions and''; and

(B) in the second sentence, by striking ''training in certain'' and inserting ''education and training in certain health professions and''.

(2) Subsections (b)(2)(A) and (c)(2)(A) of such section are amended by striking ''subsection (e)'' and inserting ''subsection (f)''.

SEC. 538. PILOT PROGRAM FOR DEPARTMENT OF VETERANS AFFAIRS SUPPORT FOR GRADUATE MEDICAL EDUCATION AND TRAINING OF MEDICAL PERSONNEL OF THE ARMED FORCES.

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

(b) DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTERS.—Under any pilot program carried out under this section, the Secretary of Defense and the Secretary of Veterans Affairs shall provide for medical personnel of the Armed Forces to pursue one or more programs of graduate medical education and training in one or more medical centers of the Department of Veterans Affairs.

(c) AGREEMENT.—The Secretary of Defense and the Secretary of Veterans Affairs shall enter into an agreement for carrying out any pilot program under this section. The agreement shall provide a means for the Secretary

of Defense to defray the costs incurred by the Secretary of Veterans Affairs in providing the graduate medical education and training in, or the use of, the facility or facilities of the Department of Veterans Affairs participating in the pilot program.

(d) USE OF EXISTING AUTHORITIES.—To carry out the pilot program, the Secretary of Defense and the Secretary of Veterans Affairs shall exercise authorities provided to the Secretaries, respectively, under other laws relating to the furnishing or support of medical education and the cooperative use of facilities.

(e) PERIOD OF PROGRAM.—Any pilot program carried out under this section shall begin not later than August 1, 2002, and shall terminate on July 31, 2007.

(f) ANNUAL REPORT.—(1) Not later than January 31, 2003, and January 31 of each year thereafter, the Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to Congress a report on the conduct of any pilot program carried out under this section. The report shall cover the preceding year and shall include the Secretaries' assessment of the efficacy of providing for medical personnel of the Armed Forces to pursue programs of graduate medical education and training in medical centers of the Department of Veterans Affairs.

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

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

(a) AUTHORITY TO TRANSFER TO FAMILY MEMBERS.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by adding at the end the following new section:

"§ 3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces with critical military skills

''(a) IN GENERAL.—Subject to the provisions of this section, each Secretary concerned may, for the purpose of enhancing recruitment and retention of members of the Armed Forces with critical military skills and at such Secretary's sole discretion, permit an individual described in subsection (b) who is entitled to basic educational assistance under this subchapter to elect to transfer, in whole or in part, up to 18 months of such individual's entitlement to such assistance to the dependents specified in subsection (c).

''(b) ELIGIBLE INDIVIDUALS.—An individual referred to in subsection (a) is any member of the Armed Forces who, at the time of the approval by the Secretary concerned of the member's request to transfer entitlement to basic educational assistance under this section—

''(1) has completed six years of service in the Armed Forces;

''(2) either—

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

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

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

''(c) ELIGIBLE DEPENDENTS.—An individual approved to transfer an entitlement to basic educational assistance under this section may transfer the individual's entitlement as follows:

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

''(2) To one or more of the individual's children.

''(3) To a combination of the individuals referred to in paragraphs (1) and (2).

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

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

''(1) designate the dependent or dependents to whom such entitlement is being transferred and the percentage of such entitlement to be transferred to each such dependent; and

''(2) specify the period for which the transfer shall be effective for each dependent designated under paragraph (1).

''(f) TIME FOR TRANSFER; REVOCATION AND MODIFICATION.—(1) Subject to the time limitation for use of entitlement under section 3031 of this title, an individual approved to transfer entitlement to basic educational assistance under this section may transfer such entitlement at any time after the approval of individual's request to transfer such entitlement without regard to whether the individual is a member of the Armed Forces when the transfer is executed.

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

''(B) The modification or revocation of the transfer of entitlement under this paragraph shall be made by the submittal of written notice of the action to both the Secretary concerned and the Secretary of Veterans Affairs.

''(g) COMMENCEMENT OF USE.—A dependent to whom entitlement to basic educational assistance is transferred under this section may not commence the use of the transferred entitlement until the following:

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

''(2) In the case of entitlement transferred to a child, both—

''(A) the completion by the individual making the transfer of 10 years of service in the Armed Forces; and

''(B) either—

''(i) the completion by the child of the requirements of a secondary school diploma (or equivalency certificate); or

''(ii) the attainment by the child of 18 years of age.

''(h) ADDITIONAL ADMINISTRATIVE MATTERS.—(1) The use of any entitlement to basic educational assistance transferred under this section shall be charged against the entitlement of the individual making the transfer at the rate of one month for each month of transferred entitlement that is used.

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

''(3) The death of an individual transferring an entitlement under this section shall not affect the use of the entitlement by the individual to whom the entitlement is transferred.

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

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

''(6) The purposes for which a dependent to whom entitlement is transferred under this section may use such entitlement shall include the pursuit and completion of the requirements of a secondary school diploma (or equivalency certificate).

''(i) OVERPAYMENT.—(1) In the event of an overpayment of basic educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the individual making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of this title.

''(2) Except as provided in paragraph (3), if an individual transferring entitlement under this section fails to complete the service agreed to by the individual under subsection (b)(3) in accordance with the terms of the agreement of the individual under that subsection, the amount of any transferred entitlement under this section that is used by a dependent of the individual as of the date of such failure shall be treated as an overpayment of basic educational assistance under paragraph (1).

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

''(A) by reason of the death of the individual; or

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

''(j) APPROVALS OF TRANSFER SUBJECT TO AVAILABILITY OF APPROPRIATIONS.—The Secretary concerned may approve transfers of entitlement to basic educational assistance under this section in a fiscal year only to the extent that appropriations for military personnel are available in the fiscal year for purposes of making deposits in the Department of Defense Education Benefits Fund under section 2006 of title 10 in the fiscal year to cover the present value of future benefits payable from the Fund for the Department of Defense portion of payments of basic educational assistance attributable to increased usage of benefits as a result of such transfers of entitlement in the fiscal year.

''(k) REGULATIONS.—The Secretary of Defense shall prescribe regulations for purposes of this section. Such regulations shall specify the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2), and shall specify the manner of the applicability of the administrative provisions referred to in subsection (h)(5) to a dependent to whom entitlement is transferred under this section.

''(l) ANNUAL REPORTS.—(1) Not later than January 31, 2003, and each year thereafter, each Secretary concerned shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the transfers of entitlement to basic educational assistance under this section that were approved by such Secretary during the preceding year.

''(2) Each report shall set forth—

''(A) the number of transfers of entitlement under this section that were approved by such Secretary during the preceding year; or

''(B) if no transfers of entitlement under this section were approved by such Secretary during that year, a justification for such Secretary's decision not to approve any such transfers of entitlement during that year.

''(m) SECRETARY CONCERNED DEFINED.—Notwithstanding section 101(25) of this title, in this section, the term 'Secretary concerned' means—

''(1) the Secretary of the Army with respect to matters concerning the Army;

''(2) the Secretary of the Navy with respect to matters concerning the Navy or the Marine Corps;

''(3) the Secretary of the Air Force with respect to matters concerning the Air Force; and

''(4) the Secretary of the Defense with respect to matters concerning the Coast Guard, or the Secretary of Transportation when it is not operating as a service in the Navy.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3019 the following new item:

''3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces with critical military skills.''.

(b) TREATMENT UNDER DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—Section 2006(b)(2) of title 10, United States Code, is amended by adding at the end the following:

''(D) The present value of future benefits payable from the Fund for the Department of Defense portion of payments of educational assistance under subchapter II of chapter 30 of title 38 attributable to increased usage of benefits as a result of transfers of entitlement to basic educational assistance under section 3020 of that title during such period.''.

(c) PLAN FOR IMPLEMENTATION.—Not later than June 30, 2002, the Secretary of Defense shall submit to Congress a report describing the manner in which the Secretaries of the military departments and the Secretary of Transportation propose to exercise the authority granted by section 3020 of title 38, United States Code, as added by subsection (a). The report shall include the regulations prescribed under subsection (k) of that section for purposes of the exercise of the authority.

(d) FUNDING FOR FISCAL YEAR 2002.—Of the amount authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 by section 421, $30,000,000 may be available in fiscal year 2002 for deposit into the Department of Defense Education Benefits Fund under section 2006 of title 10, United States Code, for purposes of covering payments of amounts under subparagraph (D) of section 2006(b)(2) of title 10, United States Code (as added by subsection (b)), as a result of transfers of entitlement to basic educational assistance under section 3020 of title 38, United States Code (as added by subsection (a)).

SEC. 540. PARTICIPATION OF REGULAR MEMBERS OF THE ARMED FORCES IN THE SENIOR RESERVE OFFICERS' TRAINING CORPS.

(a) ELIGIBILITY.—Section 2104(b)(3) of title 10, United States Code, is amended by inserting ''the regular component or'' after ''enlist in''.

(b) PAY RATE WHILE ON FIELD TRAINING OR PRACTICE CRUISE.—Section 209(c) of title 37, United States Code, is amended by inserting before the period at the end the following: '', except that the rate for a cadet or midshipmen who is a member of the regular component of an armed force shall be the rate of basic pay applicable to the member under section 203 of this title''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001.

Subtitle D—Decorations, Awards, and Commendations

SEC. 551. AUTHORITY FOR AWARD OF THE MEDAL OF HONOR TO HUMBERT R. VERSACE FOR VALOR DURING THE VIETNAM WAR.

(a) WAIVER OF TIME LIMITATIONS.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the military service, the President may award the Medal of Honor under section 3741 of that title to Humbert R. Versace for the acts of valor referred to in subsection (b).

(b) ACTION DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Humbert R. Versace between October 29, 1963, and September 26, 1965, while interned as a prisoner of war by the Vietnamese Communist National Liberation Front (Viet Cong) in the Republic of Vietnam.

SEC. 552. REVIEW REGARDING AWARD OF MEDAL OF HONOR TO CERTAIN JEWISH AMERICAN WAR VETERANS.

(a) REVIEW REQUIRED.—The Secretary of each military department shall review the service records of each Jewish American war veteran described in subsection (b) to determine whether or not that veteran should be awarded the Medal of Honor.

(b) COVERED JEWISH AMERICAN WAR VETERANS.—The Jewish American war veterans whose service records are to be reviewed under subsection (a) are the following:

(1) Any Jewish American war veteran who was previously awarded the Distinguished Service Cross, the Navy Cross, or the Air Force Cross.

(2) Any other Jewish American war veteran whose name is submitted to the Secretary concerned for such purpose by the Jewish War Veterans of the United States of America before the end of the one-year period beginning on the date of the enactment of this Act.

(c) CONSULTATIONS.—In carrying out the review under subsection (a), the Secretary of each military department shall consult with the Jewish War Veterans of the United States of America and with such other veterans service organizations as the Secretary considers appropriate.

(d) RECOMMENDATION BASED ON REVIEW.—If the Secretary concerned determines, based upon the review under subsection (a) of the service records of any Jewish American war veteran, that the award of the Medal of Honor to that veteran is warranted, the Secretary shall submit to the President a recommendation that the President award the Medal of Honor to that veteran.

(e) AUTHORITY TO AWARD MEDAL OF HONOR.—A Medal of Honor may be awarded to a Jewish American war veteran in accordance with a recommendation of the Secretary concerned under subsection (d).

(f) WAIVER OF TIME LIMITATIONS.—An award of the Medal of Honor may be made under subsection (e) without regard to—

(1) section 3744, 6248, or 8744 of title 10, United States Code, as applicable; and

(2) any regulation or other administrative restriction on—

(A) the time for awarding the Medal of Honor; or

(B) the awarding of the Medal of Honor for service for which a Distinguished Service Cross, Navy Cross, Air Force Cross, or any other decoration has been awarded.

(g) JEWISH AMERICAN WAR VETERAN DEFINED.—In this section, the term ''Jewish American war veteran'' means any person who served in the Armed Forces during World War II or a later period of war and who identified himself or herself as Jewish on his or her military personnel records.

SEC. 553. ISSUANCE OF DUPLICATE AND REPLACEMENT MEDALS OF HONOR.

(a) ARMY.—(1)(A) Chapter 357 of title 10, United States Code, is amended by inserting after section 3747 the following new section:

''§ 3747a. Medal of honor: issuance of duplicate

''(a) ISSUANCE.—Upon written application by a person to whom a medal of honor has been awarded under this chapter, the Secretary of the Army may issue to the person one duplicate medal of honor, with ribbons and appurtenances. No charge may be imposed for the issuance of the duplicate medal.

''(b) SPECIAL MARKING.—A duplicate medal of honor issued under this section shall be marked as a duplicate or for display purposes only. The Secretary shall prescribe the manner in which the duplicate medal is marked.

''(c) ISSUANCE NOT TO BE CONSIDERED ADDITIONAL AWARD.—The issuance of a duplicate medal of honor under this section may not be considered an award of more than one medal of honor prohibited by section 3744(a) of this title.''.

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3747 the following:

''3747a. Medal of honor: issuance of duplicate.''.

(2) Section 3747 of title 10, United States Code, is amended by striking ''lost'' and inserting ''stolen, lost,''.

(b) NAVY AND MARINE CORPS.—(1)(A) Chapter 567 of such title is amended by inserting after section 6253 the following new section:

''§ 6253a. Medal of honor: issuance of duplicate

''(a) ISSUANCE.—Upon written application by a person to whom a medal of honor has been awarded under this chapter, the Secretary of the Navy may issue to the person one duplicate medal of honor, with ribbons and appurtenances. No charge may be imposed for the issuance of the duplicate medal.

''(b) SPECIAL MARKING.—A duplicate medal of honor issued under this section shall be marked as a duplicate or for display purposes only. The Secretary shall prescribe the manner in which the duplicate medal is marked.

''(c) ISSUANCE NOT TO BE CONSIDERED ADDITIONAL AWARD.—The issuance of a duplicate medal of honor under this section may not be considered an award of more than one medal of honor prohibited by section 6247 of this title.''.

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6253 the following:

''6253a. Medal of honor: issuance of duplicate.''.

(2) Section 6253 of title 10, United States Code, is amended by striking ''lost'' and inserting ''stolen, lost,''.

(c) AIR FORCE.—(1)(A) Chapter 857 of such title is amended by inserting after section 8747 the following new section:

''§ 8747a. Medal of honor: issuance of duplicate

''(a) ISSUANCE.—Upon written application by a person to whom a medal of honor has been awarded under this chapter, the Secretary of the Air Force may issue to the person one duplicate medal of honor, with ribbons and appurtenances. No charge may be imposed for the issuance of the duplicate medal.

''(b) SPECIAL MARKING.—A duplicate medal of honor issued under this section shall be marked as a duplicate or for display purposes only. The Secretary shall prescribe the manner in which the duplicate medal is marked.

''(c) ISSUANCE NOT TO BE CONSIDERED ADDITIONAL AWARD.—The issuance of a duplicate medal of honor under this section may not be considered an award of more than one medal of honor prohibited by section 8744(a) of this title.''.

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8747 the following:

''8747a. Medal of honor: issuance of duplicate.''.

(2) Section 8747 of title 10, United States Code, is amended by striking ''lost'' and inserting ''stolen, lost,''.

SEC. 554. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) SILVER STAR.—Subsection (a) applies to the award of the Silver Star to Wayne T. Alderson, of Glassport, Pennsylvania, for gallantry in action from March 15 to March 18, 1945, while serving as a member of the Army.

(c) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 30, 2000, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 555. SENSE OF SENATE ON ISSUANCE OF KOREA DEFENSE SERVICE MEDAL.

It is the sense of the Senate that the Secretary of Defense should consider authorizing the issuance of a campaign medal, to be known as the Korea Defense Service Medal, to each person who while a member of the Armed Forces served in the Republic of Korea, or the waters adjacent thereto, during the period beginning on July 28, 1954, and ending on such date after that date as the Secretary considers appropriate.

SEC. 556. RETROACTIVE MEDAL OF HONOR SPECIAL PENSION.

(a) ENTITLEMENT.—Notwithstanding any other provision of law, Robert R. Ingram of Jacksonville, Florida, who was awarded the Medal of Honor pursuant to Public Law 105–103 (111 Stat. 2218), shall be entitled to the special pension provided for under section 1562 of title 38, United States Code (and antecedent provisions of law), for months that begin after March 1966.

(b) AMOUNT.—The amount of special pension payable under subsection (a) for a month beginning before the date of the enactment of this Act shall be the amount of special pension provided for by law for that month for persons entered and recorded in the Army, Navy, Air Force, and Coast Guard Medal of Honor Roll (or antecedent Medal of Honor Roll required by law).

Subtitle E—Funeral Honors Duty

SEC. 561. ACTIVE DUTY END STRENGTH EXCLUSION FOR RESERVES ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY FOR FUNERAL HONORS DUTY.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(10) Members of reserve components on active duty or full-time National Guard duty to prepare for and to perform funeral honors functions under section 1491 of this title.''.

SEC. 562. PARTICIPATION OF RETIREES IN FUNERAL HONORS DETAILS.

(a) AUTHORITY.—(1) Subsection (b)(2) of section 1491 of title 10, United States Code, is amended by inserting '', members or former members of the armed forces in a retired status,'' in the second sentence after ''members of the armed forces''.

(2) Subsection (h) of such section is amended to read as follows:

''(h) DEFINITIONS.—In this section:

''(1) The term 'retired status', with respect to a member or former member of the armed forces, means that the member or former member—

''(A) is on a retired list of an armed force;

''(B) is entitled to receive retired or retainer pay; or

''(C) except for not having attained 60 years of age, would be entitled to receive retired pay upon application under chapter 1223 of this title.

''(2) The term 'veteran' means a decedent who—

''(A) served in the active military, naval, or air service (as defined in section 101(24) of title 38) and who was discharged or released therefrom under conditions other than dishonorable; or

''(B) was a member or former member of the Selected Reserve described in section 2301(f) of title 38.''.

(b) FUNERAL HONORS DUTY ALLOWANCE.—Section 435(a) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a) ALLOWANCE AUTHORIZED.—''; and

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

''(2)(A) The Secretary concerned may authorize payment of an allowance to a member or former member of the armed forces in a retired status (as defined in section 1491(h) of title 10) for participating as a member of a funeral honors detail under section 1491 of title 10 for a period of at least two hours, including time for preparation.

''(B) An allowance paid to a member or former member under subparagraph (A) shall be in addition to any retired or retainer pay or other compensation to which the member or former member is entitled under this title or title 10 or 38.''.

SEC. 563. BENEFITS AND PROTECTIONS FOR MEMBERS IN A FUNERAL HONORS DUTY STATUS.

(a) FUNERAL HONORS DUTY DEFINED.—Section 101(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(8) The term 'funeral honors duty' means duty under section 12503 of this title or section 115 of title 32.''.

(b) APPLICABILITY OF UNIFORM CODE OF MILITARY JUSTICE.—Section 802 of title 10, United States Code, is amended—

(1) in subsection (a)(3), by inserting ''or engaged in funeral honors duty'' after ''on inactive-duty training''; and

(2) in subsection (d)(2)(B), by inserting ''or engaged in funeral honors duty'' after ''on inactive-duty training''.

(c) COMMISSARY STORES PRIVILEGES FOR DEPENDENTS OF A DECEASED RESERVE COMPONENT MEMBER.—Section 1061(b) of such title is amended—

(1) in paragraph (1)—

(A) by striking ''or'' the first place it appears; and

(B) by inserting '', or funeral honors duty'' before the semicolon; and

(2) in paragraph (2)—

(A) by striking ''or'' the third place it appears; and

(B) by inserting '', or funeral honors duty'' before the period.

(d) PAYMENT OF A DEATH GRATUITY.—(1) Section 1475(a) of such title is amended—

(A) in paragraph (2), by inserting ''or while engaged in funeral honors duty'' after ''Public Health Service)''; and

(B) in paragraph (3)—

(i) by striking ''or inactive duty training'' the first place it appears and inserting ''inactive-duty training'';

(ii) by inserting ''or funeral honors duty,'' after ''Public Health Service),''; and

(iii) by striking ''or inactive duty training'' the second place it appears and inserting '', inactive-duty training, or funeral honors duty''.

(2) Section 1476(a) of such title is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ''or'';

(ii) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(iii) by adding at the end the following new subparagraph:

''(C) funeral honors duty.''; and

(B) in paragraph (2)(A), by striking ''or inactive-duty training'' and inserting '', inactive-duty training, or funeral honors duty''.

(e) MILITARY AUTHORITY FOR MEMBERS OF THE COAST GUARD RESERVE.—(1) Section 704 of title 14, United States Code, is amended by striking ''or inactive-duty training'' in the second sentence and inserting '', inactive-duty training, or funeral honors duty''.

(2) Section 705(a) of such title is amended by inserting ''on funeral honors duty,'' after ''on inactive-duty training,''.

(f) VETERANS BENEFITS.—Section 101(24) of title 38, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C)(ii) and inserting ''; and''; and

(3) by adding at the end the following new subparagraph (D):

''(D) any period of funeral honors duty (as defined in section 101(d) of title 10) during which the individual concerned was disabled or died from an injury incurred or aggravated in line of duty.''.

(g) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001.

SEC. 564. MILITARY LEAVE FOR CIVILIAN EMPLOYEES SERVING AS MILITARY MEMBERS OF FUNERAL HONORS DETAIL.

Section 6323(a) of title 5, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking ''active duty, inactive duty training'' and all that follows through ''National Guard'' and inserting ''military duty or training described in paragraph (4)''; and

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

''(4) The entitlement under paragraph (1) applies to the performance of duty or training as a Reserve of the armed forces or member of the National Guard, as follows:

''(A) Active duty.

''(B) Inactive duty training (as defined in section 101 of title 37).

''(C) Field or coast defense training under sections 502 through 505 of title 32.

''(D) Funeral honors duty under section 12503 of title 10 or section 115 of title 32.''.

Subtitle F—Uniformed Services Overseas Voting

SEC. 571. SENSE OF THE SENATE REGARDING THE IMPORTANCE OF VOTING BY MEMBERS OF THE UNIFORMED SERVICES.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that each administrator of a Federal, State, or local election should—

(1) be aware of the importance of the ability of each uniformed services voter to exercise their right to vote; and

(2) perform their duties with the intent to ensure that—

(A) each uniformed services voter receives the utmost consideration and cooperation when voting;

(B) each valid ballot cast by such a voter is duly counted; and

(C) all eligible American voters, regardless of race, ethnicity, disability, the language they speak, or the resources of the community in which they live should have an equal opportunity to cast a vote and have that vote counted.

(b) UNIFORMED SERVICES VOTER DEFINED.—In this section, the term ''uniformed services voter'' means—

(1) a member of a uniformed service (as defined in section 101(a)(5) of title 10, United States Code) in active service;

(2) a member of the merchant marine (as defined in section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6)); and

(3) a spouse or dependent of a member referred to in subparagraph (A) or (B) who is qualified to vote.

SEC. 572. STANDARD FOR INVALIDATION OF BALLOTS CAST BY ABSENT UNIFORMED SERVICES VOTERS IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—

(1) by striking ''Each State'' and inserting ''(a) IN GENERAL.—Each State''; and

(2) by adding at the end the following:

''(c) STANDARDS FOR INVALIDATION OF CERTAIN BALLOTS.—

''(1) IN GENERAL.—A State may not refuse to count a ballot submitted in an election for Federal office by an absent uniformed services voter solely—

''(A) on the grounds that the ballot lacked a notarized witness signature, an address, other than on a Federal write-in absentee ballot (SF186) or a postmark: *Provided,* That there are other indicia that the vote was cast in a timely manner; or

''(B) on the basis of a comparison of signatures on ballots, envelopes, or registration forms unless there is a lack of reasonable similarity between the signatures.

''(2) NO EFFECT ON FILING DEADLINES UNDER STATE LAW.—Nothing in this subsection may be construed to affect the application to ballots submitted by absent uniformed services voters of any ballot submission deadline applicable under State law.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to ballots described in section 102(c) of the Uniformed and Overseas Citizens Absentee Voting Act (as added by such subsection) that are submitted with respect to elections that occur after the date of enactment of this Act.

SEC. 573. GUARANTEE OF RESIDENCY FOR MILITARY PERSONNEL.

Article VII of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 590 et seq.) is amended by adding at the end the following:

''SEC. 704. (a) For purposes of voting for any Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)) or a State or local office, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

''(1) be deemed to have lost a residence or domicile in that State, without regard to whether or not the person intends to return to that State;

''(2) be deemed to have acquired a residence or domicile in any other State; or

''(3) be deemed to have become a resident in or a resident of any other State.

''(b) In this section, the term 'State' includes a territory or possession of the United States, a political subdivision of a State, territory, or possession, and the District of Columbia.''.

SEC. 574. EXTENSION OF REGISTRATION AND BALLOTING RIGHTS FOR ABSENT UNIFORMED SERVICES VOTERS TO STATE AND LOCAL ELECTIONS.

(a) IN GENERAL.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 572(a)(1), is further amended by inserting after subsection (a) the following new subsection:

''(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—Each State shall—

''(1) permit absent uniformed services voters to use absentee registration procedures and vote by absentee ballot in general, special, primary, and runoff elections for State and local offices; and

''(2) accept and process, with respect to any election described in paragraph (1), any otherwise valid voter registration application from an absent uniformed services voter if the application is received by the appropriate State election official not less than 30 days before the date of the election.''.

(b) CONFORMING AMENDMENT.—The heading for title I of such Act is amended by striking **''FOR FEDERAL OFFICE''**.

SEC. 575. USE OF SINGLE APPLICATION AS A SIMULTANEOUS ABSENTEE VOTER REGISTRATION APPLICATION AND ABSENTEE BALLOT APPLICATION.

Subsection (a) of section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as redesignated by section 572(a)(1), is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting a semicolon; and

(3) by inserting after paragraph (3) the following new paragraph (4):

''(4) accept and process the official post card form (prescribed under section 101) as a simultaneous absentee voter registration application and absentee ballot application; and''.

SEC. 576. USE OF SINGLE APPLICATION FOR ABSENTEE BALLOTS FOR ALL FEDERAL ELECTIONS.

Subsection (a) of section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 575, is further amended by inserting after paragraph (4) the following new paragraph (5):

''(5) accept and process, with respect to all general, special, primary, and runoff elections for Federal office occurring during a year, any otherwise valid absentee ballot application from an absent uniformed services voter or overseas voter if a single application for any such election is received by the appropriate State election official not less than 30 days before the first election for Federal office occurring during the year.''.

SEC. 577. ELECTRONIC VOTING DEMONSTRATION PROJECT.

(a) ESTABLISHMENT OF DEMONSTRATION PROJECT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Defense shall carry out a demonstration project under which absent uniformed services voters (as defined in section 107(1) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6(1))) are permitted to cast ballots in the regularly scheduled general election for Federal office for November 2002, through an electronic voting system.

(2) AUTHORITY TO DELAY IMPLEMENTATION.—If the Secretary of Defense determines that the implementation of the demonstration project under paragraph (1) with respect to the regularly scheduled general election for Federal office for November 2002 may adversely affect the national security of the United States, the Secretary may delay the implementation of such demonstration project until the regularly scheduled general election for Federal office for November 2004. The Secretary shall notify the Armed Services Committees of the Senate and the House of Representatives of any decision to delay implementation of the demonstration project.

(b) COORDINATION WITH STATE ELECTION OFFICIALS.—To the greatest extent practicable, the Secretary of Defense shall carry out the demonstration project under this section through cooperative agreements with State election officials.

(c) REPORT TO CONGRESS.—Not later than June 1, 2003, the Secretary of Defense shall submit a report to Congress analyzing the demonstration project conducted under this section, and shall include in the report any recommendations the Secretary of Defense considers appropriate for continuing the project on an expanded basis for absent uniformed services voters during the next regularly scheduled general election for Federal office.

SEC. 578. FEDERAL VOTING ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary of Defense shall promulgate regulations to require each of the Armed Forces to ensure their compliance with any directives issued by the Secretary of Defense in implementing the Federal Voting Assistance Program (referred to in this section as the ''Program'') or any similar program.

(b) REVIEW AND REPORT.—(1) The Inspector General of each of the Armed Forces shall—

(A) conduct an annual review of the effectiveness of the Program or any similar program;

(B) conduct an annual review of the compliance with the Program or any similar program of the branch; and

(C) submit an annual report to the Inspector General of the Department of Defense on the results of the reviews under subparagraphs (A) and (B).

(2) Not later than March 31, 2003, and annually thereafter, the Inspector General of the Department of Defense shall submit a report to Congress on—

(A) the effectiveness of the Program or any similar program; and

(B) the level of compliance with the Program or any similar program of the branches of the Armed Forces.

SEC. 579. MAXIMIZATION OF ACCESS OF RECENTLY SEPARATED UNIFORMED SERVICES VOTERS TO THE POLLS.

(a) ABSENTEE REGISTRATION.—For purposes of voting in any primary, special, general, or runoff election for Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)), each State shall, with respect to any uniformed services voter (as defined in section 571(b)) requesting to vote in the State accept and process, with respect to any primary, special, general, or runoff election, any otherwise valid voter registration application submitted by such voter.

(b) VOTING BY RECENTLY SEPARATED UNIFORMED SERVICES VOTERS.—Each State shall permit each recently separated uniformed services voter to vote in any election for which a voter registration application has been accepted and processed under subsection (a) if that voter—

(1) has registered to vote under such subsection; and

(2) is eligible to vote in that election under State law.

(c) DEFINITIONS.—In this section:

(1) The term ''State'' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.

(2) The term ''recently separated uniformed services voter'' means any individual who was a uniformed services voter (as defined in section 571(b)) on the date that is 60 days before the date on which the individual seeks to vote and who—

(A) presents to the election official Department of Defense form 214 evidencing their former status as such a voter, or any other official proof of such status; and

(B) is no longer such a voter; and

(C) is otherwise qualified to vote.

SEC. 580. GOVERNORS' REPORTS ON IMPLEMENTATION OF FEDERAL VOTING ASSISTANCE PROGRAM RECOMMENDATIONS.

(a) REPORTS.—Not later than 90 days after the date on which a State receives a legislative recommendation, the State shall submit a report on the status of the implementation of that recommendation to the Presidential designee and to each Member of Congress that represents that State.

(b) PERIOD OF APPLICABILITY.—This section applies with respect to legislative recommendations received by States during the period beginning on the date of enactment of this Act and ending three years after such date.

(c) DEFINITIONS.—In this section:

(1) The term ''legislative recommendation'' means a recommendation of the Presidential designee suggesting a modification in the laws of a State for the purpose of maximizing the access to the polls of absent uniformed services voters and overseas voters, including each recommendation made under section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3).

(2) The term ''Presidential designee'' means the head of the executive department designated under section 101 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff).

Subtitle G—Other Matters

SEC. 581. PERSONS AUTHORIZED TO BE INCLUDED IN SURVEYS OF MILITARY FAMILIES REGARDING FEDERAL PROGRAMS.

(a) ADDITION OF CERTAIN FAMILY MEMBERS AND SURVIVORS.—Subsection (a) of section 1782 of title 10, United States Code, is amended to read as follows:

''(a) AUTHORITY.—The Secretary of Defense may conduct surveys of persons to determine the effectiveness of Federal programs relating to military families and the need for new programs, as follows:

''(1) Members of the armed forces on active duty or in an active status.

''(2) Retired members of the armed forces.

''(3) Members of the families of such members and retired members of the armed forces (including surviving members of the families of deceased members and deceased retired members).''.

(b) FEDERAL RECORDKEEPING REQUIREMENTS.—Subsection (c) of such section is amended to read as follows:

''(c) FEDERAL RECORDKEEPING REQUIREMENTS.—With respect to a survey authorized under subsection (a) that includes a person referred to in that subsection who is not an employee of the United States or is not considered an employee of the United States for the purposes of section 3502(3)(A)(i) of title 44, the person shall be considered as being an employee of the United States for the purposes of that section.''.

SEC. 582. CORRECTION AND EXTENSION OF CERTAIN ARMY RECRUITING PILOT PROGRAM AUTHORITIES.

(a) CONTRACT RECRUITING INITIATIVES.—Subsection (d)(2) of section 561 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–130) is amended—

(1) in subparagraphs (A) and (D), by inserting ''and Army Reserve'' after ''Regular Army''; and

(2) in subparagraph (B), by striking ''and chain of command''.

(b) EXTENSION OF AUTHORITY.—Subsection (e) of such section is amended by striking ''December 31, 2005'' and inserting ''September 30, 2007''.

(c) EXTENSION OF TIME FOR REPORTS.—Subsection (g) of such section is amended by striking ''February 1, 2006'' and inserting ''February 1, 2008''.

SEC. 583. OFFENSE OF DRUNKEN OPERATION OF A VEHICLE, AIRCRAFT, OR VESSEL UNDER THE UNIFORM CODE OF MILITARY JUSTICE.

(a) LOWER STANDARD OF ALCOHOL CONCENTRATION.—Section 911 of title 10, United States Code (article 111 of the Uniform Code of Military Justice), is amended by striking ''0.10 grams'' both places it appears in paragraph (2) and inserting ''0.08 grams''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to acts described in paragraph (2) of section 911 of title 10, United States Code, that are committed on or after that date.

SEC. 584. AUTHORITY OF CIVILIAN EMPLOYEES TO ACT AS NOTARIES.

(a) CLARIFICATION OF STATUS OF CIVILIAN ATTORNEYS ELIGIBLE TO ACT AS NOTARIES.—Subsection (b) of section 1044a of title 10, United States Code, is amended by striking ''legal assistance officers'' in paragraph (2) and inserting ''legal assistance attorneys''.

(b) OTHER CIVILIAN EMPLOYEES DESIGNATED TO ACT AS NOTARIES ABROAD.—Such subsection is further amended by adding at the end the following new paragraph:

''(5) For the performance of notarial acts at locations outside the United States, all employees of a military department or the Coast Guard who are designated by regulations of the Secretary concerned or by statute to have those powers for exercise outside the United States.''.

SEC. 585. REVIEW OF ACTIONS OF SELECTION BOARDS.

(a) IN GENERAL.—(1) Chapter 79 of title 10, United States Code, is amended by adding at the end the following:

''§ 1558. Exclusive remedies in cases involving selection boards

''(a) CORRECTION OF MILITARY RECORDS.—The Secretary concerned may correct a person's military records in accordance with a recommendation made by a special board. Any such correction shall be effective, retroactively, as of the effective date of the action taken on a report of a previous selection board that resulted in the action corrected in the person's military records.

''(b) RELIEF ASSOCIATED WITH CORRECTIONS OF CERTAIN ACTIONS.—(1) The Secretary concerned shall ensure that a person receives relief under paragraph (2) or (3), as the person may elect, if the person—

''(A) was separated or retired from an armed force, or transferred to the retired reserve or to inactive status in a reserve component, as a result of a recommendation of a selection board; and

''(B) becomes entitled to retention on or restoration to active duty or active status in a reserve component as a result of a correction of the person's military records under subsection (a).

''(2)(A) With the consent of a person referred to in paragraph (1), the person shall be retroactively and prospectively restored to the same status, rights, and entitlements (less appropriate offsets against back pay and allowances) in the person's armed force as the person would have had if the person had not been selected to be separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be, as a result of an action corrected under subsection (a). An action under this subparagraph is subject to subparagraph (B).

''(B) Nothing in subparagraph (A) shall be construed to permit a person to be on active duty or in an active status in a reserve component after the date on which the person would have been separated, retired, or transferred to the retired reserve or to inactive status in a reserve component if the person had not been selected to be separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be, in an action of a selection board that is corrected under subsection (a).

''(3) If the person does not consent to a restoration of status, rights, and entitlements under paragraph (2), the person shall receive back pay and allowances (less appropriate offsets) and service credit for the period beginning on the date of the person's separation, retirement, or transfer to the retired reserve or to inactive status in a reserve component, as the case may be, and ending on the earlier of—

''(A) the date on which the person would have been so restored under paragraph (2), as determined by the Secretary concerned; or

''(B) the date on which the person would otherwise have been separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be.

''(c) FINALITY OF UNFAVORABLE ACTION.—If a special board makes a recommendation not to correct the military records of a person regarding action taken in the case of that person on the basis of a previous report of a selection board, the action previously taken on that report shall be considered as final as of the date of the action taken on that report.

''(d) REGULATIONS.—(1) The Secretary concerned may prescribe regulations to carry out this section (other than subsection (e)) with respect to the armed force or armed forces under the jurisdiction of the Secretary.

''(2) The Secretary may prescribe in the regulations the circumstances under which consideration by a special board may be provided for under this section, including the following:

''(A) The circumstances under which consideration of a person's case by a special board is contingent upon application by or for that person.

''(B) Any time limits applicable to the filing of an application for consideration.

''(3) Regulations prescribed by the Secretary of a military department under this subsection shall be subject to the approval of the Secretary of Defense.

''(e) JUDICIAL REVIEW.—(1) A person challenging for any reason the action or recommendation of a selection board, or the action taken by the Secretary concerned on the report of a selection board, is not entitled to relief in any judicial proceeding unless the person has first been considered by a special board under this section or the Secretary concerned has denied such consideration.

''(2) A court of the United States may review a determination by the Secretary concerned not to convene a special board in the case of any person. In any such case, a court may set aside the Secretary's determination only if the court finds the determination to be arbitrary or capricious, not based on substantial evidence, or otherwise contrary to law. If a court sets aside a determination not to convene a special board, it shall remand the case to the Secretary concerned, who shall provide for consideration of the person by a special board.

''(3) A court of the United States may review a recommendation of a special board or an action of the Secretary concerned on the report of a special board convened for consideration of a person. In any such case, a court may set aside the recommendation or action, as the case may be, only if the court finds that the recommendation or action was contrary to law or involved a material error of fact or a material administrative error. If a court sets aside the recommendation of a special board, it shall remand the case to the Secretary concerned, who shall provide for reconsideration of the person by another special board. If a court sets aside the action of the Secretary concerned on the report of a special board, it shall remand the case to the Secretary concerned for a new action on the report of the special board.

''(4)(A) If, not later than six months after receiving a complete application for consideration by a special board in any case, the Secretary concerned has not convened a special board and has not denied consideration by a special board in that case, the Secretary shall be deemed to have denied the consideration of the case for the purposes of this subsection.

''(B) If, not later than one year after the convening of a special board in any case, the Secretary concerned has not taken final action on the report of the special board, the Secretary shall be deemed to have denied relief in such case for the purposes of this subsection.

''(C) Under regulations prescribed under subsection (d), the Secretary concerned may waive the applicability of subparagraph (A) or (B) in a case if the Secretary determines that a longer period for consideration of the case is warranted. The Secretary of a military department may not delegate authority to make a determination under this subparagraph.

''(f) EXCLUSIVITY OF REMEDIES.—Notwithstanding any other provision of law, but subject to subsection (g), the remedies provided under this section are the only remedies available to a person for correcting an action or recommendation of a selection board regarding that person or an action taken on the report of a selection board regarding that person.

''(g) EXISTING JURISDICTION.—(1) Nothing in this section limits the jurisdiction of any court of the United States under any provision of law to determine the validity of any statute, regulation, or policy relating to selection boards, except that, in the event that any such statute, regulation, or policy is held invalid, the remedies prescribed in this section shall be the sole and exclusive remedies available to any person challenging the recommendation of a special board on the basis of the invalidity.

''(2) Nothing in this section limits authority to correct a military record under section 1552 of this title.

''(h) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.

''(i) DEFINITIONS.—In this section:

''(1) The term 'special board'—

''(A) means a board that the Secretary concerned convenes under any authority to consider whether to recommend a person for appointment, enlistment, reenlistment, assignment, promotion, retention, separation, retirement, or transfer to inactive status in a reserve component instead of referring the records of that person for consideration by a previously convened selection board which considered or should have considered that person;

''(B) includes a board for the correction of military or naval records convened under section 1552 of this title, if designated as a special board by the Secretary concerned; and

''(C) does not include a promotion special selection board convened under section 628 or 14502 of this title.

''(2) The term 'selection board'—

''(A) means a selection board convened under section 573(c), 580, 580a, 581, 611(b), 637, 638, 638a, 14101(b), 14701, 14704, or 14705 of this title, and any other board convened by the Secretary concerned under any authority to recommend persons for appointment, enlistment, reenlistment, assignment, promotion, or retention in the armed forces or for separation, retirement, or transfer to inactive status in a reserve component for the purpose of reducing the number of persons serving in the armed forces; and

''(B) does not include—

''(i) a promotion board convened under section 573(a), 611(a), or 14101(a) of this title;

''(ii) a special board;

''(iii) a special selection board convened under section 628 of this title; or

''(iv) a board for the correction of military records convened under section 1552 of this title.''.

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

''1558. Exclusive remedies in cases involving selection boards .''.

(b) SPECIAL SELECTION BOARDS.—Section 628 of such title is amended—

(1) by redesignating subsection (g) as subsection (j); and

(2) by inserting after subsection (f) the following:

''(g) JUDICIAL REVIEW.—(1) A court of the United States may review a determination by the Secretary concerned under subsection (a)(1) or (b)(1) not to convene a special selection board in the case of an officer or former officer of the armed forces. If the court finds the determination to be arbitrary or capricious, not based on substantial evidence, or otherwise contrary to law, it shall remand the case to the Secretary concerned, who shall provide for consideration of the officer or former officer by a special selection board under this section.

''(2) A court of the United States may review the action of a special selection board convened under this section upon the request of an officer or former officer of the armed forces and any action taken by the President on the report of the board. If the court finds that the action was contrary to law or involved a material error of fact or a material administrative error, it shall remand the case to the Secretary concerned, who shall provide for reconsideration of the officer or former officer by another special selection board.

''(3)(A) For the purposes of this subsection, the Secretary concerned shall be deemed to have determined not to convene a special selection board under subsection (a)(1) or (b)(1) in the case of an officer or former officer of the armed forces upon a failure of the Secretary to make a determination on the convening of a special selection board in that case within six months after receiving a properly completed request to convene a special selection board under that authority in that case.

''(B) Under regulations prescribed by the Secretary concerned, the Secretary may waive the applicability of subparagraph (A) in the case of a request for the convening of a special selection board if the Secretary determines that a longer period for consideration of the request is warranted. The Secretary concerned may not delegate authority to make a determination under this subparagraph.

''(h) LIMITATIONS OF OTHER JURISDICTION.—(1) No official or court of the United States may, with respect to a claim based to any extent on the failure of an officer or former officer of the armed forces to be selected for promotion by a promotion board—

''(A) consider the claim unless the officer or former officer has first been referred by the Secretary concerned to a special selection board convened under this section and acted upon by that board and the report of the board has been approved by the President; or

''(B) except as provided in subsection (g), grant any relief on the claim unless the officer or former officer has been selected for promotion by a special selection board convened under this section to consider the officer for recommendation for promotion and the report of the board has been approved by the President.

''(i) EXISTING JURISDICTION.—(1) Nothing in this section limits the jurisdiction of any court of the United States under any provision of law to determine the validity of any statute, regulation, or policy relating to selection boards, except that, in the event that any such statute, regulation, or policy is held invalid, the remedies prescribed in this section shall be the sole and exclusive remedies available to any person challenging the recommendation of a selection board on the basis of the invalidity.

''(2) Nothing in this section limits authority to correct a military record under section 1552 of this title.''.

(c) EFFECTIVE DATE AND APPLICABILITY.—(1) The amendments made by this section shall take effect on the date of the enactment of this Act and, except as provided in paragraph (2), shall apply with respect to any proceeding pending on or after that date without regard to whether a challenge to an action of a selection board of any of the Armed Forces being considered in such proceeding was initiated before, on, or after that date.

(2) The amendments made by this section shall not apply with respect to any action commenced in a court of the United States before the date of the enactment of this Act.

SEC. 586. ACCEPTANCE OF VOLUNTARY LEGAL ASSISTANCE FOR THE CIVIL AFFAIRS OF MEMBERS AND FORMER MEMBERS OF THE UNIFORMED SERVICES AND THEIR DEPENDENTS.

(a) AUTHORITY.—Subsection (a) of section 1588 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(5) Legal services voluntarily provided as legal assistance under section 1044 of this title.''.

(b) DEFENSE OF LEGAL MALPRACTICE.—Subsection (d)(1) of that section is amended by adding at the end the following new subparagraph:

''(E) Section 1054 of this title (relating to legal malpractice), for a person voluntarily providing legal services accepted under subsection (a)(5), as if the person were providing the services as an attorney of a legal staff within the Department of Defense.''.

SEC. 587. EXTENSION OF DEFENSE TASK FORCE ON DOMESTIC VIOLENCE.

Section 591(j) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 641, 10 U.S.C. 1562 note) is amended by striking ''three years after the date of the enactment of this Act'' and inserting ''April 24, 2003''.

SEC. 588. TRANSPORTATION TO ANNUAL MEETING OF NEXT-OF-KIN OF PERSONS UNACCOUNTED FOR FROM CONFLICTS AFTER WORLD WAR II.

(a) IN GENERAL.—(1) Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2647. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II

''The Secretary of Defense may provide transportation for the next-of-kin of persons who are unaccounted for from the Korean conflict, the Cold War, Vietnam War era, or the Persian Gulf War to and from those annual meetings sanctioned by the Department of Defense in the United States. Such transportation shall be provided under such regulations as the Secretary of Defense may prescribe.''.

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

''2647. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.''.

(b) EFFECTIVE DATE.—Section 2647 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 589. REPORT ON HEALTH AND DISABILITY BENEFITS FOR PRE-ACCESSION TRAINING AND EDUCATION PROGRAMS.

(a) STUDY.—The Secretary of Defense shall conduct a review of the health and disability benefit programs available to recruits and officer candidates engaged in training, education, or other types of programs while not yet on active duty and to cadets and midshipmen attending the service academies. The review shall be conducted with the participation of the Secretaries of the military departments.

(b) REPORT.—Not later than March 1, 2002, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the findings of the review. The report shall include the following with respect to persons described in subsection (a):

(1) A statement of the process and detailed procedures followed by each of the Armed Forces under the jurisdiction of the Secretary of a military department to provide health care and disability benefits to all such persons injured in training, education, or other types of programs conducted by the Secretary of a military department.

(2) Information on the total number of cases of such persons requiring health care and disability benefits and the total number of cases and average value of health care and disability benefits provided under the authority for each source of benefits available to those persons.

(3) A discussion of the issues regarding health and disability benefits for such persons that are encountered by the Secretary during the review, to include discussions with individuals who have received those benefits.

(4) A statement of the processes and detailed procedures followed by each of the Armed Forces under the jurisdiction of the Secretary of a military department to provide recruits and officer candidates with succinct information on the eligibility requirements (including information on when they become eligible) for health care benefits under the Defense health care program, and the nature and availability of the benefits under the program.

(5) A discussion of the necessity for legislative changes and specific legislative proposals needed to improve the benefits provided those persons.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2002.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2002 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, 2002, 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	7,180.20	7,415.40	7,571.10	7,614.90	7,809.30
0–7	5,966.40	6,371.70	6,371.70	6,418.20	6,657.90
0–6	4,422.00	4,857.90	5,176.80	5,176.80	5,196.60
0–5	3,537.00	4,152.60	4,440.30	4,494.30	4,673.10
0–4	3,023.70	3,681.90	3,927.60	3,982.50	4,210.50
0–3 [3]	2,796.60	3,170.40	3,421.80	3,698.70	3,875.70
0–2 [3]	2,416.20	2,751.90	3,169.50	3,276.30	3,344.10
0–1 [3]	2,097.60	2,183.10	2,638.50	2,638.50	2,638.50
	Over 8	Over 10	Over 12	Over 14	Over 16
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	8,135.10	8,210.70	8,519.70	8,608.50	8,874.30
0–7	6,840.30	7,051.20	7,261.80	7,472.70	8,135.10
0–6	5,418.90	5,448.60	5,448.60	5,628.60	6,305.70
0–5	4,673.10	4,813.50	5,073.30	5,413.50	5,755.80
0–4	4,395.90	4,696.20	4,930.20	5,092.50	5,255.70
0–3 [3]	4,070.10	4,232.40	4,441.20	4,549.50	4,549.50
0–2 [3]	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
0–1 [3]	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50
	Over 18	Over 20	Over 22	Over 24	Over 26
0–10 [2]	$0.00	11,601.90	11,659.20	11,901.30	12,324.00
0–9	0.00	10,147.50	10,293.60	10,504.80	10,873.80
0–8	9,259.50	9,614.70	9,852.00	9,852.00	9,852.00
0–7	8,694.90	8,694.90	8,694.90	8,694.90	8,738.70
0–6	6,627.00	6,948.30	7,131.00	7,316.10	7,675.20
0–5	5,919.00	6,079.80	6,262.80	6,262.80	6,262.80
0–4	5,310.60	5,310.60	5,310.60	5,310.60	5,310.60
0–3 [3]	4,549.50	4,549.50	4,549.50	4,549.50	4,549.50
0–2 [3]	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
0–1 [3]	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50

[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, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is $13,598.10, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[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	3,698.70	3,875.70
0–2E	0.00	0.00	0.00	3,276.30	3,344.10
0–1E	0.00	0.00	0.00	2,638.50	2,818.20
	Over 8	Over 10	Over 12	Over 14	Over 16
0–3E	4,070.10	4,232.40	4,441.20	4,617.00	4,717.50
0–2E	3,450.30	3,630.00	3,768.90	3,872.40	3,872.40

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	2,922.30	3,028.50	3,133.20	3,276.30	3,276.30
	Over 18	Over 20	Over 22	Over 24	Over 26
O–3E	4,855.20	4,855.20	4,855.20	4,855.20	4,855.20
O–2E	3,872.40	3,872.40	3,872.40	3,872.40	3,872.40
O–1E	3,276.30	3,276.30	3,276.30	3,276.30	3,276.30

WARRANT OFFICERS [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	2,889.60	3,108.60	3,198.00	3,285.90	3,437.10
W–3	2,638.80	2,862.00	2,862.00	2,898.90	3,017.40
W–2	2,321.40	2,454.00	2,569.80	2,654.10	2,726.40
W–1	2,049.90	2,217.60	2,330.10	2,402.70	2,511.90
	Over 8	Over 10	Over 12	Over 14	Over 16
W–5	$0.00	$0.00	$0.00	$0.00	$0.00
W–4	3,586.50	3,737.70	3,885.30	4,038.00	4,184.40
W–3	3,152.40	3,330.90	3,439.50	3,558.30	3,693.90
W–2	2,875.20	2,984.40	3,093.90	3,200.40	3,318.00
W–1	2,624.70	2,737.80	2,850.00	2,963.70	3,077.10
	Over 18	Over 20	Over 22	Over 24	Over 26
W–5	$0.00	4,965.60	5,136.00	5,307.00	5,478.60
W–4	4,334.40	4,480.80	4,632.60	4,782.00	4,935.30
W–3	3,828.60	3,963.60	4,098.30	4,233.30	4,368.90
W–2	3,438.90	3,559.80	3,680.10	3,801.30	3,801.30
W–1	3,189.90	3,275.10	3,275.10	3,275.10	3,275.10

[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	1,986.90	2,169.00	2,251.50	2,332.50	2,417.40
E–6	1,701.00	1,870.80	1,953.60	2,033.70	2,117.40
E–5	1,561.50	1,665.30	1,745.70	1,828.50	1,912.80
E–4	1,443.60	1,517.70	1,599.60	1,680.30	1,752.30
E–3	1,303.50	1,385.40	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	[3] 1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 8	Over 10	Over 12	Over 14	Over 16
E–9 [2]	$0.00	$3,423.90	3,501.30	3,599.40	3,714.60
E–8	2,858.10	2,940.60	3,017.70	3,110.10	3,210.30
E–7	2,562.90	2,645.10	2,726.40	2,808.00	2,892.60
E–6	2,254.50	2,337.30	2,417.40	2,499.30	2,558.10
E–5	2,030.10	2,110.20	2,193.30	2,193.30	2,193.30
E–4	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E–3	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 18	Over 20	Over 22	Over 24	Over 26
E–9 [2]	$3,830.40	3,944.10	4,098.30	4,251.30	4,467.00
E–8	3,314.70	3,420.30	3,573.00	3,724.80	3,937.80
E–7	2,975.10	3,057.30	3,200.40	3,292.80	3,526.80
E–6	2,602.80	2,602.80	2,602.80	2,602.80	2,602.80
E–5	2,193.30	2,193.30	2,193.30	2,193.30	2,193.30
E–4	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E–3	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50

[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, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is $5,382.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[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 $1,022.70.

SEC. 602. BASIC PAY RATE FOR CERTAIN RESERVE COMMISSIONED OFFICERS WITH PRIOR SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER.

(a) SERVICE CREDIT.—Section 203(d) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(d)'';

(2) by striking ''active service as a warrant officer or as a warrant officer and an enlisted member'' and inserting ''service described in paragraph (2)''; and

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

''(2) Service to be taken into account for purposes of computing basic pay under paragraph (1) is as follows:

''(A) Active service as a warrant officer or as a warrant officer and an enlisted member, in the case of—

''(i) a commissioned officer on active duty who is paid from funds appropriated for active-duty personnel; or

''(ii) a commissioned officer on active Guard and Reserve duty.

''(B) In the case of a commissioned officer (not referred to in subparagraph (A)(ii)) who is paid from funds appropriated for reserve personnel, service as a warrant officer, or as a warrant officer and enlisted member, for which at least 1,460 points have been credited to the officer for the purposes of section 12732(a)(2) of title 10.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on

October 1, 2001, and shall apply with respect to months beginning on or after that date.

SEC. 603. RESERVE COMPONENT COMPENSATION FOR DISTRIBUTED LEARNING ACTIVITIES PERFORMED AS INACTIVE-DUTY TRAINING.

(a) COMPENSATION AUTHORIZED.—Section 206(d) of title 37, United States Code, is amended to read as follows:

''(d)(1) Compensation is payable under this section to a member in a grade below E–7 for a period of instruction or duty in pursuit of the satisfaction of educational requirements imposed on members of the uniformed services by law or regulations if—

''(A) the particular activity in pursuit of the satisfaction of such requirements is an activity approved for that period of instruction or duty by the commander who prescribes the instruction or duty for the member for that period; and

''(B) the member attains the learning objectives required for the period of instruction or duty, as determined under regulations prescribed by the Secretary concerned.

''(2) Acceptable means of pursuit of the satisfaction of educational requirements for the purposes of compensation under this section include any means (which may include electronic, documentary, or distributed learning) that is authorized for the attainment of educational credit toward the satisfaction of those requirements in regulations prescribed by the Secretary concerned.''.

(b) DEFINITION OF INACTIVE-DUTY TRAINING.—Section 101(22) of title 37, United States Code, is amended by striking ''but does not include work or study in connection with a correspondence course of a uniformed service''.

SEC. 604. CLARIFICATIONS FOR TRANSITION TO REFORMED BASIC ALLOWANCE FOR SUBSISTENCE.

(a) BASELINE AMOUNT FOR CALCULATING ALLOWANCE FOR ENLISTED MEMBERS.—For the purposes of section 402(b)(2) of title 37, United States Code, the monthly rate of basic allowance for subsistence that is in effect for an enlisted member for the year ending December 31, 2001, is $233.

(b) RATE FOR ENLISTED MEMBERS WHEN MESSING FACILITIES NOT AVAILABLE.—(1) Notwithstanding section 402 of title 37, United States Code, the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may prescribe a rate of basic allowance for subsistence to apply to enlisted members of the uniformed services when messing facilities of the United States are not available. The rate may be higher than the rate of basic allowance for subsistence that would otherwise be applicable to the members under that section, but may not be higher than the highest rate that was in effect for enlisted members of the uniformed services under those circumstances before the date of the enactment of this Act.

(2) Paragraph (1) shall cease to be effective on the first day of the first month for which the basic allowance for subsistence calculated for enlisted members of the uniformed services under section 402 of title 37, United States Code, exceeds the rate of the basic allowance for subsistence prescribed under that paragraph.

(c) DATE FOR EARLY TERMINATION OF BAS TRANSITIONAL AUTHORITY.—Section 603(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–145) is amended by striking ''October 1, 2001,'' and inserting ''January 1, 2002,''.

SEC. 605. INCREASE IN BASIC ALLOWANCE FOR HOUSING IN THE UNITED STATES.

(a) ACCELERATION OF INCREASE.—Subsection 403(b)(1) of title 37, United States Code, is amended by adding at the end the following: ''After September 30, 2002, the rate prescribed for a grade and dependency status for a military housing area in the United States may not be less than the median cost of adequate housing for members in that grade and dependency status in that area, as determined on the basis of the costs of adequate housing determined for the area under paragraph (2).''.

(b) FISCAL YEAR 2002 RATES.—(1) Subject to subsection (b)(3) of section 403 of title 37, United States Code, in the administration of such section 403 for fiscal year 2002, the monthly amount of a basic allowance for housing for an area of the United States for a member of a uniformed service shall be equal to 92.5 percent of the monthly cost of adequate housing in that area, as determined by the Secretary of Defense, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member.

(2) In addition to the amount determined by the Secretary of Defense under section 403(b)(3) of title 37, United States Code, to be the total amount to be paid during fiscal year 2002 for the basic allowance for housing for military housing areas inside the United States, $232,000,000 of the amount authorized to be appropriated by section 421 for military personnel may be used by the Secretary to further increase the total amount available for the basic allowance for housing for military housing areas inside the United States.

SEC. 606. CLARIFICATION OF ELIGIBILITY FOR SUPPLEMENTAL SUBSISTENCE ALLOWANCE.

Section 402a(b)(1) of title 37, United States Code, is amended by inserting ''with dependents'' after ''a member of the armed forces''.

SEC. 607. CORRECTION OF LIMITATION ON ADDITIONAL UNIFORM ALLOWANCE FOR OFFICERS.

Section 416(b)(1) of title 37, United States Code, is amended by striking ''$200'' and inserting ''$400''.

SEC. 608. PAYMENT FOR UNUSED LEAVE IN EXCESS OF 60 DAYS ACCRUED BY MEMBERS OF RESERVE COMPONENTS ON ACTIVE DUTY FOR ONE YEAR OR LESS.

(a) ELIGIBILITY.—Section 501(b)(5) of title 37, United States Code, is amended by—

(1) striking ''or'' at the end of subparagraph (B);

(2) striking the period at the end of subparagraph (C) and inserting ''; or''; and

(3) adding at the end the following new subparagraph:

''(D) by a member of a reserve component while serving on active duty, full-time National Guard duty, or active duty for training for a period of more than 30 days but not in excess of 365 days.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001, and shall apply with respect to periods of active duty that begin on or after that date.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking ''January 1, 2002'' and inserting ''January 1, 2003''.

SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

SEC. 613. EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS.

(a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

SEC. 614. EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking ''December 31, 2001,'' and inserting ''December 31, 2002,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) BONUS FOR ENLISTMENT FOR TWO OR MORE YEARS.—Section 309(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(d) RETENTION BONUS FOR MEMBERS WITH CRITICAL SKILLS.—Section 323(i) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

SEC. 615. HAZARDOUS DUTY PAY FOR MEMBERS OF MARITIME VISIT, BOARD, SEARCH, AND SEIZURE TEAMS.

(a) ELIGIBILITY.—Section 301(a) of title 37, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting ''; or''; and

(3) by inserting at the end the following new paragraph:

''(12) involving regular participation as a member of a team conducting visit, board, search, and seizure operations aboard vessels in support of maritime interdiction operations.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001.

SEC. 616. SUBMARINE DUTY INCENTIVE PAY RATES.

(a) AUTHORITY.—Section 301c of title 37, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) The Secretary of the Navy shall prescribe the monthly rates of submarine duty incentive pay. The maximum monthly rate may not exceed $1,000.''.

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

(A) by striking ''in the amount set forth in subsection (b)'' in paragraphs (1) and (2); and

(B) in paragraph (4), by striking ''that pay in the amount set forth in subsection (b)'' and inserting ''submarine duty incentive pay''.

(2) Subsection (d) of such section is amended by striking ''monthly incentive pay authorized by subsection (b)'' and inserting ''monthly submarine duty incentive pay authorized''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2002.

SEC. 617. CAREER SEA PAY.

(a) IN GENERAL.—Section 305a(d) of title 37, United States Code, is amended by adding at the end the following: ''Under no circumstances shall a member of the uniformed services be excluded from this entitlement by virtue of his or her rank, no matter how junior, or subjected to a minimum time in service or underway in order to rate this entitlement.''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by subsection (a) shall take effect on October 1, 2001, and shall apply with respect to pay periods beginning on or after that date.

SEC. 618. MODIFICATION OF ELIGIBILITY REQUIREMENTS FOR INDIVIDUAL READY RESERVE BONUS FOR REENLISTMENT, ENLISTMENT, OR EXTENSION OF ENLISTMENT.

(a) ELIGIBILITY BASED ON QUALIFICATIONS IN CRITICALLY SHORT WARTIME SKILLS OR SPECIALTIES.—Section 308h(a) of title 37, United States Code, is amended to read as follows:

''(a)(1) The Secretary concerned may pay a bonus as provided in subsection (b) to an eligible person who reenlists, enlists, or voluntarily extends an enlistment in a reserve component of an armed force for assignment to an element (other than the Selected Reserve) of the Ready Reserve of that armed force if the reenlistment, enlistment, or extension is for a period of three years, or for a period of six years, beyond any other period the person is obligated to serve.

''(2) A person is eligible for a bonus under this section if the person—

''(A) is or has been a member of an armed force;

''(B) is qualified in a skill or specialty designated by the Secretary concerned as a critically short wartime skill or critically short wartime specialty, respectively; and

''(C) has not failed to complete satisfactorily any original term of enlistment in the armed forces.

''(3) For the purposes of this section, the Secretary concerned may designate a skill or specialty as a critically short wartime skill or critically short wartime specialty, respectively, for an armed force under the jurisdiction of the Secretary if the Secretary determines that—

''(A) the skill or specialty is critical to meet wartime requirements of the armed force; and

''(B) there is a critical shortage of personnel in that armed force who are qualified in that skill or specialty.''.

(b) REGULATIONS.—The Secretaries of the military departments shall prescribe the regulations necessary for administering section 308h of title 37, United States Code, as amended by this section, not later than the effective date determined under subsection (c)(1).

(c) EFFECTIVE DATE.—This section and the amendments made by this section—

(1) shall take effect on the first day of the first month that begins more than 180 days after the date of the enactment of this Act; and

(2) shall apply with respect to reserve component reenlistments, enlistments, and extensions of enlistments that are executed on or after the first day of that month.

SEC. 619. ACCESSION BONUS FOR OFFICERS IN CRITICAL SKILLS.

(a) IN GENERAL.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 323 the following new section:

''§ 324. Special pay: critical officer skills accession bonus

''(a) ACCESSION BONUS AUTHORIZED.—A person who executes a written agreement to accept a commission as an officer of an armed force and serve on active duty in a designated critical officer skill for the period specified in the agreement may be paid an accession bonus upon acceptance of the written agreement by the Secretary concerned.

''(b) DESIGNATION OF CRITICAL OFFICER SKILLS.—(1) The Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall designate the critical officer skills for the purposes of this section. The Secretary of Defense may so designate a skill for any one or more of the armed forces.

''(2) A skill may be designated as a critical officer skill for an armed force for the purposes of this section if—

''(A) in order to meet requirements of the armed force, it is critical for the armed force to have a sufficient number of officers who are qualified in that skill; and

''(B) in order to mitigate a current or projected significant shortage of personnel in the armed force who are qualified in that skill, it is critical to access into that armed force in sufficient numbers persons who are qualified in that skill or are to be trained in that skill.

''(c) AMOUNT OF BONUS.—The amount of a bonus paid with respect to a critical officer skill shall be determined under regulations jointly prescribed by the Secretary of Defense and the Secretary of Transportation, but may not exceed $20,000.

''(d) LIMITATION ON ELIGIBILITY FOR BONUS.—An individual may not be paid a bonus under subsection (a) if the individual has received, or is receiving, an accession bonus for the same period of service under section 302d, 302h, or 312b of this title.

''(e) PAYMENT METHOD.—Upon acceptance of a written agreement referred to in subsection (a) by the Secretary concerned, the total amount payable pursuant to the agreement under this section becomes fixed and may be paid by the Secretary in either a lump sum or installments.

''(f) REPAYMENT FOR FAILURE TO COMPLETE OBLIGATED SERVICE.—(1) A person who, after having received all or part of the bonus under this section pursuant to an agreement referred to in subsection (a), fails to accept an appointment as a commissioned officer or to commence or complete the total period of active duty service in a designated critical officer skill as provided in the agreement shall refund to the United States the amount that bears the same ratio to the total amount of the bonus authorized for such person as the unserved part of the period of agreed active duty service in a designated critical officer skill bears to the total period of the agreed active duty service, but not more than the amount that was paid to the person.

''(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 refund 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 less than five years after the termination of a written agreement entered into under subsection (a) does not discharge the person signing the agreement from a debt arising under such agreement or under paragraph (1).

''(g) TERMINATION OF AUTHORITY.—No bonus may be paid under this section with respect to an agreement entered into after December 31, 2002.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 323 the following new item:

''324. Special pay: critical officer skills accession bonus.''.

(b) EFFECTIVE DATE.—Section 324 of title 37, United States Code (as added by subsection (a)), shall take effect on October 1, 2001.

SEC. 620. MODIFICATION OF THE NURSE OFFICER CANDIDATE ACCESSION PROGRAM RESTRICTION ON STUDENTS ATTENDING CIVILIAN EDUCATIONAL INSTITUTIONS WITH SENIOR RESERVE OFFICERS' TRAINING PROGRAMS.

Section 2130a of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking ''that does not have a Senior Reserve Officers' Training Program established under section 2102 of this title''; and

(2) in subsection (b)(1), by striking ''that does not have a Senior Reserve Officers' Training Program established under section 2102 of this title'' and inserting ''and, in the case of a student so enrolled at a civilian institution that has a Senior Reserve Officers' Training Program established under section 2102 of this title, is not eligible to participate in the Senior Reserve Officers' Training Program''.

SEC. 621. ELIGIBILITY FOR CERTAIN CAREER CONTINUATION BONUSES FOR EARLY COMMITMENT TO REMAIN ON ACTIVE DUTY.

(a) AVIATION OFFICERS.—Section 301b(b)(4) of title 37, United States Code, is amended by striking ''has completed'' and inserting ''is within one year of the completion of''.

(b) SURFACE WARFARE OFFICERS.—Section 319(a)(3) of title 37, United States Code, is amended by striking ''has completed'' and inserting ''is within one year of the completion of''.

SEC. 622. HOSTILE FIRE OR IMMINENT DANGER PAY.

(a) IN GENERAL.—Chapter 59, Subchapter IV of title 5, United States Code, is amended by adding at the end the following new section:

''§ 5949 Hostile fire or imminent danger pay

''(a) The head of an Executive agency may pay an employee special pay at the rate of $150 for any month in which the employee, while on duty in the United States—

''(1) was subject to hostile fire or explosion of hostile mines;

''(2) was in an area of the Pentagon in which the employee was in imminent danger of being exposed to hostile fire or explosion of hostile mines and in which, during the period on duty in that area, other employees were subject to hostile fire or explosion of hostile mines;

''(3) was killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action; or

''(4) was in an area of the Pentagon in which the employee was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

''(b) An employee covered by subsection (a)(3) who is hospitalized for the treatment of his injury or wound may be paid special pay under this section for not more than three additional months during which the employee is so hospitalized.

''(c) For the purpose of this section, ''United States'' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

''(d) An employee may be paid special pay under this section in addition to other pay and allowances to which entitled. Payments under this section may not be considered to be part of basic pay of an employee.''.

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of chapter 59 of such title is amended by inserting at the end the following new item:

''5949. Hostile fire or imminent danger pay.''.

(c) EFFECTIVE DATE.—This provision is effective as if enacted into law on September 11, 2001, and may be applied to any hostile action that took place on that date or thereafter.

Subtitle C—Travel and Transportation Allowances

SEC. 631. ELIGIBILITY FOR TEMPORARY HOUSING ALLOWANCE WHILE IN TRAVEL OR LEAVE STATUS BETWEEN PERMANENT DUTY STATIONS.

(a) PERSONNEL IN GRADES BELOW E–4.—Section 403(i) of title 37, United States Code, is amended by striking ''who is in a pay grade E–4 (4 or more years of service) or above''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001.

SEC. 632. ELIGIBILITY FOR PAYMENT OF SUBSISTENCE EXPENSES ASSOCIATED WITH OCCUPANCY OF TEMPORARY LODGING INCIDENT TO REPORTING TO FIRST PERMANENT DUTY STATION.

(a) OFFICER PERSONNEL.—Section 404a(a)(2)(C) of title 37, United States Code, is amended by striking ''an enlisted member'' and inserting ''a member''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001.

SEC. 633. ELIGIBILITY FOR DISLOCATION ALLOWANCE.

(a) MEMBERS WITH DEPENDENTS WHEN ORDERED TO FIRST DUTY STATION.—Section 407 of title 37, United States Code, is amended—

(1) in subsection (a)(2), by adding at the end the following new subparagraph:

''(F) A member whose dependents actually move from the member's place of residence in connection with the performance of orders for the member to report to the member's first permanent duty station if the move—

''(i) is to the permanent duty station or a designated location; and

''(ii) is an authorized move.''; and

(2) in subsection (e), by inserting ''(except as provided in subsection (a)(2)(F))'' after ''first duty station''.

(b) MARRIED MEMBERS WITHOUT DEPENDENTS ASSIGNED TO GOVERNMENT FAMILY QUARTERS.—Subsection (a) of such section, as amended by subsection (a), is further amended—

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

''(G) Each of two members married to each other who—

''(i) is without dependents;

''(ii) actually moves with the member's spouse to a new permanent duty station; and

''(iii) is assigned to family quarters of the United States at or in the vicinity of the new duty station.''; and

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

''(4) If a primary dislocation allowance is payable to two members described in subparagraph (G) of paragraph (2) who are married to each other, the amount of the allowance payable to such members shall be the amount otherwise payable under this subsection to the member in the higher pay grade, or to either member if both members are in the same pay grade. The allowance shall be paid jointly to both members.''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001.

SEC. 634. ALLOWANCE FOR DISLOCATION FOR THE CONVENIENCE OF THE GOVERNMENT AT HOME STATION.

(a) AUTHORITY.—(1) Chapter 7 of title 37, United States Code is amended by inserting after section 407 the following new section:

''§ 407a. Travel and transportation: allowance for dislocation for the convenience of the Government at home station

''(a) AUTHORITY.—Under regulations prescribed by the Secretary concerned, a member of the uniformed services may be paid a dislocation allowance under this section when ordered, for the convenience of the Government and not pursuant to a permanent change of station, to occupy or to vacate family housing provided by the Department of Defense, or by the Department of Transportation in the case of the Coast Guard.

''(b) AMOUNT.—(1) Subject to paragraph (2), the amount of a dislocation allowance paid under this section is $500.

''(2) Effective on the same date that the monthly rates of basic pay for members of the uniformed services are increased under section 1009 of this title or by a law increasing those rates by a percentage specified in the law, the amount of the dislocation allowance provided under this section shall be increased by the percentage by which the monthly rates of basic pay are so increased.

''(c) ADVANCE PAYMENT.—A dislocation allowance payable under this section may be paid in advance.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 407 the following new item:

''407a. Travel and transportation: allowance for dislocation for the convenience of the Government at home station.''.

(b) EFFECTIVE DATE.—Section 407a of title 37, United States Code, shall take effect on October 1, 2001.

SEC. 635. TRAVEL AND TRANSPORTATION ALLOWANCES FOR FAMILY MEMBERS TO ATTEND THE BURIAL OF A DECEASED MEMBER OF THE UNIFORMED SERVICES.

(a) CONSOLIDATION OF AUTHORITIES.—Section 411f of title 37, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting ''ALLOWANCES AUTHORIZED.—(1)'' after ''(a)'';

(B) by striking ''the dependents of a member'' and inserting ''eligible members of the family of a member of the uniformed services'';

(C) by striking ''such dependents'' and inserting ''such persons''; and

(D) by inserting at the end the following new paragraph:

''(2) An attendant accompanying a person provided travel and transportation allowances under this section for travel to the burial ceremony for a deceased member may also be provided under the uniform regulations round trip travel and transportation allowances for travel to the burial ceremony if—

''(A) the accompanied person is unable to travel unattended because of age, physical condition, or other justifiable reason, as determined under the uniform regulations; and

''(B) there is no other eligible member of the family of the deceased member traveling to the burial ceremony who is eligible for travel and transportation allowances under this section and is qualified to serve as the attendant.'';

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''(1) Except as provided in paragraph (2)'' and inserting ''LIMITATIONS.—(1) Except as provided in paragraphs (2) and (3)''; and

(ii) by inserting before the period at the end the following: ''and the time necessary for such travel'';

(B) in paragraph (2), by striking ''be extended to accommodate'' and inserting ''not exceed the rates for 2 days and''; and

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

''(3) If a deceased member is interred in a cemetery maintained by the American Battle Monuments Commission, the travel and transportation allowances authorized under this section may be provided to and from such cemetery and may not exceed the rates for 2 days and the time necessary for such travel.''; and

(3) by striking subsection (c) and inserting the following:

''(c) ELIGIBLE MEMBERS OF FAMILY.—The following members of the family of a deceased member of the uniformed services are eligible for the travel and transportation allowances under this section:

''(1) The surviving spouse (including a remarried surviving spouse) of the deceased member.

''(2) The unmarried child or children of the deceased member referred to in section 401(a)(2) of this title.

''(3) If no person described in paragraphs (1) and (2) is provided travel and transportation allowances under this section, the parent or parents of the deceased member (as defined in section 401(b)(2) of this title).

''(4) If no person described in paragraphs (1), (2), and (3) is provided travel and transportation allowances under this section, then—

''(A) the person who directs the disposition of the remains of the deceased member under section 1482(c) of title 10, or, in the case of a deceased member whose remains are commingled and buried in a common grave in a national cemetery, the person who would have been designated under such section to direct the disposition of the remains if individual identification had been made; and

''(B) up to two additional persons closely related to the deceased member who are selected by the person referred to in subparagraph (A).

''(d) DEFINITIONS.—In this section:

''(1) The term 'burial ceremony' includes the following:

''(A) An interment of casketed or cremated remains.

''(B) A placement of cremated remains in a columbarium.

''(C) A memorial service for which reimbursement is authorized under section 1482(d)(2) of title 10.

''(D) A burial of commingled remains that cannot be individually identified in a common grave in a national cemetery.

''(2) The term 'member of the family' includes a person described in section 1482(c)(4) of title 10 who, except for this paragraph, would not otherwise be considered a family member.''.

(b) REPEAL OF SUPERSEDED LAWS.—(1) Section 1482 of title 10, United States Code, is amended by striking subsection (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(2) The Funeral Transportation and Living Expense Benefits Act of 1974 (Public Law 93–257; 88 Stat. 53; 37 U.S.C. 406 note) is repealed.

(c) APPLICABILITY.—The amendments made by this Act shall apply with respect to deaths that occur on or after the later of—

(1) October 1, 2001; or

(2) the date of the enactment of this Act.

SEC. 636. FAMILY SEPARATION ALLOWANCE FOR MEMBERS ELECTING UNACCOMPANIED TOUR BY REASON OF HEALTH LIMITATIONS OF DEPENDENTS.

(a) ELIGIBILITY.—Section 427(c) of title 37, United States Code, is amended—

(1) in the first sentence, by striking ''A member who elects'' and inserting ''(1) Except as provided in paragraph (2), a member who elects'';

(2) in the second sentence, by striking ''The Secretary concerned may waive the preceding sentence'' and inserting the following:

''(3) The Secretary concerned may waive paragraph (1)''; and

(3) by inserting after paragraph (1) (as designated by the amendment made by paragraph (1) of this section) the following new paragraph:

''(2) The prohibition in the first sentence of paragraph (1) does not apply in the case of a member who elects to serve a tour of duty unaccompanied by his dependents at the member's permanent station because a dependent cannot accompany the member to or at that permanent station for medical reasons certified by a health care professional in accordance with regulations prescribed for the administration of this section.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001.

SEC. 637. FUNDED STUDENT TRAVEL FOR FOREIGN STUDY UNDER AN EDUCATION PROGRAM APPROVED BY A UNITED STATES SCHOOL.

(a) AUTHORITY.—Section 430 of title 37, United States Code, is amended—

(1) in subsection (a)(3)—

(A) by striking ''attending'' and inserting ''enrolled in''; and

(B) by inserting before the comma at the end the following: ''and is attending that school or is participating in a foreign study program approved by that school and, pursuant to that program, is attending a school outside the United States for a period of not more than one year''; and

(2) in subsection (b)—

(A) in the first sentence of paragraph (1), by striking ''each unmarried dependent child,'' and all that follows through ''the school being attended'' and inserting ''each unmarried dependent child (described in subsection (a)(3)) of one annual trip between the school being attended by that child''; and

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

''(3) The transportation allowance paid under paragraph (1) for an annual trip of a dependent child described in subsection (a)(3) who is attending a school outside the United States may not exceed the transportation allowance that would be paid under this section for the annual trip of that child between the child's school in the continental United States and the member's duty station outside the continental United States and return.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001, and shall apply with respect to travel that originates outside the continental United States (as defined in section 430(f) of title 37, United States Code), on or after that date.

SEC. 638. TRANSPORTATION OR STORAGE OF PRIVATELY OWNED VEHICLES ON CHANGE OF PERMANENT STATION.

(a) ADVANCE PAYMENT OF STORAGE COSTS.—Section 2634(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(4) Storage costs payable under this subsection may be paid in advance.''.

(b) SHIPMENT IN PERMANENT CHANGE OF STATION WITHIN CONUS.—Subsection (h)(1) of such section is amended—

(1) by striking ''includes'' in the second sentence and all that follows and inserting ''includes the following:''; and

(2) by adding at the end the following subparagraphs:

''(A) An authorized change in home port of a vessel.

''(B) A transfer or assignment between two permanent stations in the continental United States when—

''(i) the member cannot, because of injury or the conditions of the order, drive the motor vehicle between the permanent duty stations; or

''(ii) the Secretary concerned determines that it is advantageous and cost-effective to the Government for one motor vehicle of the member to be transported between the permanent duty stations.''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2001.

Subtitle D—Matters Relating to Retirement and Survivor Benefits

SEC. 651. PAYMENT OF RETIRED PAY AND COMPENSATION TO DISABLED MILITARY RETIREES.

(a) RESTORATION OF RETIRED PAY BENEFITS.—Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation

''(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Except as provided in subsection (b), a member or former member of the uniformed services who is entitled to retired pay (other than as specified in subsection (c)) and who is also entitled to veterans' disability compensation is entitled to be paid both without regard to sections 5304 and 5305 of title 38.

''(b) SPECIAL RULE FOR CHAPTER 61 CAREER RETIREES.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member's retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that 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) EXCEPTION.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service otherwise creditable under section 1405 of this title at the time of the member's retirement.

''(d) DEFINITIONS.—In this section:

''(1) The term 'retired pay' includes retainer pay, emergency officers' retirement pay, and naval pension.

''(2) The term 'veterans' disability compensation' has the meaning given the term 'compensation' in section 101(13) of title 38.''.

(b) REPEAL OF SPECIAL COMPENSATION PROGRAM.—Section 1413 of such title is repealed.

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

(1) by striking the item relating to section 1413; and

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

''1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation.''.

(d) EFFECTIVE DATE.—(1) The amendments made by this section shall take effect on October 1, 2002.

(2) No benefits may be paid to any person by reason of section 1414 of title 10, United States Code, as added by the amendment made by subsection (a), for any period before the effective date under paragraph (1).

SEC. 652. SBP ELIGIBILITY OF SURVIVORS OF RETIREMENT-INELIGIBLE MEMBERS OF THE UNIFORMED SERVICES WHO DIE WHILE ON ACTIVE DUTY.

(a) SURVIVING SPOUSE ANNUITY.—Section 1448(d) of title 10, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of—

''(A) a member who dies while on active duty after—

''(i) becoming eligible to receive retired pay;

''(ii) qualifying for retired pay except that the member has not applied for or been granted that pay; or

''(iii) completing 20 years of active service but before the member is eligible to retire as a commissioned officer because the member has not completed 10 years of active commissioned service; or

''(B) a member not described in subparagraph (A) who dies in line of duty while on active duty.''.

(b) COMPUTATION OF SURVIVOR ANNUITY.—Section 1451(c)(1) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking ''based upon his years of active service when he died.'' and inserting ''based upon the following:''; and

(B) by adding at the end the following new clauses:

''(i) In the case of an annuity payable under section 1448(d) of this title by reason of the death of a member in line of duty, the retired pay base computed for the member under section 1406(b) or 1407 of this title as if the member had been retired under section 1201 of this title on the date of the member's death with a disability rated as total.

''(ii) In the case of an annuity payable under section 1448(d)(1)(A) of this title by reason of the death of a member not in line of duty, the member's years of active service when he died.

''(iii) In the case of an annuity under section 1448(f) of this title, the member's years of active service when he died.''; and

(2) in subparagraph (B)(i), by striking ''if the member or former member'' and all that

follows and inserting ''as described in subparagraph (A).''.

(c) CONFORMING AMENDMENTS.—(1) The heading for subsection (d) of section 1448 of such title is amended by striking ''RETIREMENT-ELIGIBLE''.

(2) Subsection (d)(3) of such section is amended by striking ''1448(d)(1)(B) or 1448(d)(1)(C)'' and inserting ''clause (ii) or (iii) of section 1448(d)(1)(A)''.

(d) EXTENSION AND INCREASE OF OBJECTIVES FOR RECEIPTS FROM DISPOSALS OF CERTAIN STOCKPILE MATERIALS AUTHORIZED FOR SEVERAL FISCAL YEARS BEGINNING WITH FISCAL YEAR 1999.—Section 3303(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2262; 50 U.S.C. 98d note) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) in paragraph (4)—

(A) by striking ''$720,000,000'' and inserting ''$760,000,000''; and

(B) by striking the period at the end and inserting ''; and''; and

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

''(5) $770,000,000 by the end of fiscal year 2011.''.

(e) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect as of September 10, 2001, and shall apply with respect to deaths of members of the Armed Forces occurring on or after that date.

Subtitle E—Other Matters

SEC. 661. EDUCATION SAVINGS PLAN FOR REENLISTMENTS AND EXTENSIONS OF SERVICE IN CRITICAL SPECIALTIES.

(a) ESTABLISHMENT OF SAVINGS PLAN.—(1) Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

''§ 324. Incentive bonus: savings plan for education expenses and other contingencies

''(a) BENEFIT AND ELIGIBILITY.—The Secretary concerned may purchase United States savings bonds under this section for a member of the armed forces who is eligible as follows:

''(1) A member who, before completing three years of service on active duty, enters into a commitment to perform qualifying service.

''(2) A member who, after completing three years of service on active duty but not more than nine years of service on active duty, enters into a commitment to perform qualifying service.

''(3) A member who, after completing nine years of service on active duty, enters into a commitment to perform qualifying service.

''(b) QUALIFYING SERVICE.—For the purposes of this section, qualifying service is service on active duty in a specialty designated by the Secretary concerned as critical to meet requirements (whether or not such specialty is designated as critical to meet wartime or peacetime requirements) for a period that—

''(1) is not less than six years; and

''(2) does not include any part of a period for which the member is obligated to serve on active duty under an enlistment or other agreement for which a benefit has previously been paid under this section.

''(c) FORMS OF COMMITMENT TO ADDITIONAL SERVICE.—For the purposes of this section, a commitment means—

''(1) in the case of an enlisted member, a reenlistment; and

''(2) in the case of a commissioned officer, an agreement entered into with the Secretary concerned.

''(d) AMOUNTS OF BONDS.—The total of the face amounts of the United States savings bonds authorized to be purchased for a member under this section for a commitment shall be as follows:

''(1) In the case of a purchase for a member under paragraph (1) of subsection (a), $5,000.

''(2) In the case of a purchase for a member under paragraph (2) of subsection (a), the amount equal to the excess of $15,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

''(3) In the case of a purchase for a member under paragraph (3) of subsection (a), the amount equal to the excess of $30,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

''(e) TOTAL AMOUNT OF BENEFIT.—The total amount of the benefit authorized for a member when United States savings bonds are purchased for the member under this section by reason of a commitment by that member shall be the sum of—

''(1) the purchase price of the United States savings bonds; and

''(2) the amounts that would be deducted and withheld for the payment of individual income taxes if the total amount computed under this subsection for that commitment were paid to the member as a bonus.

''(f) AMOUNT WITHHELD FOR TAXES.—The total amount payable for a member under subsection (e)(2) for a commitment by that member shall be withheld, credited, and otherwise treated in the same manner as amounts deducted and withheld from the basic pay of the member.

''(g) REPAYMENT FOR FAILURE TO COMPLETE OBLIGATED SERVICE.—(1) If a person fails to complete the qualifying service for which the person is obligated under a commitment for which a benefit has been paid under this section, the person shall refund to the United States the amount that bears the same ratio to the total amount paid for the person (as computed under subsection (e)) for that particular commitment as the uncompleted part of the period of qualifying service bears to the total period of the qualifying service for which obligated.

''(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 refund 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 less than five years after the termination of an enlistment or other agreement under this section does not discharge the person signing such reenlistment or other agreement from a debt arising under the reenlistment or agreement, respectively, or this subsection.

''(h) RELATIONSHIP TO OTHER SPECIAL PAYS.—The benefit authorized under this section is in addition to any other bonus or incentive or special pay that is paid or payable to a member under any other provision of this chapter for any portion of the same qualifying service.

''(i) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.''.

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

''324. Incentive bonus: savings plan for education and other contingencies.''.

(b) EFFECTIVE DATE.—Section 324 of title 37, United States Code (as added by subsection (a)), shall take effect on October 1, 2001, and shall apply with respect to reenlistments and other agreements for qualifying service (described in that section) that are entered into on or after that date.

(c) FUNDING FOR FISCAL YEAR 2002.—Of the amount authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 by section 421, $20,000,000 may be available in that fiscal year for the purchase of United States savings bonds under section 324 of title 37, United States Code (as added by subsection (a)).

SEC. 662. COMMISSARY BENEFITS FOR NEW MEMBERS OF THE READY RESERVE.

(a) ELIGIBILITY.—Section 1063 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) ELIGIBILITY OF NEW MEMBERS.—(1) The Secretary concerned shall authorize a new member of the Ready Reserve to use commissary stores of the Department of Defense for a number of days accruing at the rate of two days for each month in which the member participates satisfactorily in training required under section 10147(a)(1) of this title or section 502(a) of title 32, as the case may be.

''(2) For the purposes of paragraph (1), a person shall be considered a new member of the Ready Reserve upon becoming a member and continuing without a break in the membership until the earlier of—

''(A) the date on which the member becomes eligible to use commissary stores under subsection (a); or

''(B) December 31 of the first calendar year in which the membership has been continuous for the entire year.

''(3) A new member may not be authorized under this subsection to use commissary stores for more than 24 days for any calendar year.''.

(b) REQUIRED DOCUMENTATION.—Subsection (d) of such section, as redesignated by subsection (a)(1), is amended by adding at the end the following: ''The regulations shall specify the required documentation of satisfactory participation in training for the purposes of subsection (b).''.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by striking ''Subsection (a)'' and inserting ''Subsections (a) and (b)''.

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

''§ 1063. Use of commissary stores: members of Ready Reserve''.

(2) Subsection (a) of such section is amended by striking ''OF READY RESERVE'' and inserting ''WITH 50 OR MORE CREDITABLE POINTS''.

(3) The item relating to such section in the table of sections at the beginning of chapter 54 of title 10, United States Code, is amended to read as follows:

''1063. Use of commissary stores: members of Ready Reserve.''.

SEC. 663. AUTHORIZATION OF TRANSITIONAL COMPENSATION AND COMMISSARY AND EXCHANGE BENEFITS FOR DEPENDENTS OF COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE AND THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION WHO ARE SEPARATED FOR DEPENDENT ABUSE.

(a) COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE.—Section 221(a) of the Public Health Service Act (42 U.S.C. 213a(a)) is

amended by adding at the end the following new paragraph:

''(17) Section 1059, Transitional compensation and commissary and exchange benefits for dependents of members separated for dependent abuse.''.

(b) COMMISSIONED OFFICERS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.—Section 3(a) of the Act entitled ''An Act to revise, codify, and enact into law, title 10 of the United States Code, entitled 'Armed Forces', and title 32 of the United States Code, entitled 'National Guard' '', approved August 10, 1956 (33 U.S.C. 857a(a)), is amended by adding at the end the following new paragraph:

''(17) Section 1059, Transitional compensation and commissary and exchange benefits for dependents of members separated for dependent abuse.''.

Subtitle F—National Emergency Family Support

SEC. 681. CHILD CARE AND YOUTH ASSISTANCE.

(a) AUTHORITY.—The Secretary of Defense may provide assistance for families of members of the Armed Forces serving on active duty during fiscal year 2002, in order to ensure that the children of such families obtain needed child care and youth services.

(b) APPROPRIATE PRIMARY OBJECTIVE.—The assistance authorized by this section should be directed primarily toward providing needed family support, including child care and youth services for children of such personnel who are deployed, assigned, or ordered to active duty in connection with operations of the Armed Forces under the national emergency.

SEC. 682. FAMILY EDUCATION AND SUPPORT SERVICES.

During fiscal year 2002, the Secretary of Defense is authorized to provide family education and support services to families of members of the Armed Services to the same extent that these services were provided during the Persian Gulf War.

TITLE VII—HEALTH CARE

Subtitle A—TRICARE Benefits Modernization

SEC. 701. REQUIREMENT FOR INTEGRATION OF BENEFITS.

(a) IN GENERAL.—The Secretary of Defense shall—

(1) terminate the Individual Case Management Program carried out under section 1079(a)(17) of title 10, United States Code (as in effect on September 30, 2001); and

(2) integrate the beneficiaries under that program, and the furnishing of care to those beneficiaries, into the TRICARE program as modified pursuant to the amendments made by this subtitle.

(b) REPEAL OF SEPARATE AUTHORITY.—Section 1079 of title 10, United States Code, is amended by striking paragraph (17).

(c) SAVINGS PROVISION.—Nothing in this subtitle or the amendments made by this subtitle shall be construed—

(1) to modify any eligibility requirement for any person receiving benefits under the Individual Case Management Program before October 1, 2001; or

(2) to terminate any benefits available under that program before that date.

(d) CONSULTATION REQUIREMENT.—The Secretary of Defense shall consult with the other administering Secretaries referred to in section 1072(3) of title 10, United States Code, in carrying out this section.

SEC. 702. DOMICILIARY AND CUSTODIAL CARE.

Section 1072 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

''(8) The term 'domiciliary care' means treatment or services involving assistance with the performance of activities of daily living that is provided to a patient in a home-like setting because—

''(A) the treatment or services are not available, or are not suitable to be provided, to the patient in the patient's home; or

''(B) no member of the patient's family is willing to provide the treatment or services.

''(9) The term 'custodial care'—

''(A) means treatment or services that—

''(i) could be provided safely and reasonably by a person not trained as a physician, nurse, paramedic, or other health care provider; or

''(ii) are provided principally to assist the recipient of the treatment or services with the performance of activities of daily living; and

''(B) includes any treatment or service described in subparagraph (A) without regard to—

''(i) the source of any recommendation to provide the treatment or service; and

''(ii) the setting in which the treatment or service is provided.''.

SEC. 703. LONG TERM CARE.

(a) LIMITATION.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074i the following new section:

''§ 1074j. Long term care benefits program

''(a) REQUIREMENT FOR PROGRAM.—The Secretary of Defense shall provide long term health care benefits under the TRICARE program in an effective and efficient manner that integrates those benefits with the benefits provided on a less than a long term basis under the TRICARE program.

''(b) AUTHORIZED CARE.—The types of health care authorized to be provided under this section shall include the following:

''(1) The types of health care authorized to be acquired by contract under section 1079 of this title.

''(2) Extended care services.

''(3) Post-hospital extended care services.

''(4) Comprehensive intermittent home health services.

''(c) DURATION OF POST-HOSPITAL EXTENDED CARE SERVICES.—The post-hospital extended care services provided in a skilled nursing facility to a patient during a spell of illness under subsection (b)(3) shall continue for as long as is medically necessary and appropriate. The limitation on the number of days of coverage under subsections (a)(2) and (b)(2)(A) of section 1812 of the Social Security Act (42 U.S.C. 1395d) shall not apply with respect to the care provided that patient.

''(d) REGULATIONS.—The Secretary of Defense shall, after consultation with the other administering Secretaries, prescribe regulations to carry out this section.

''(e) DEFINITIONS.—In this section:

''(1) The term 'extended care services' has the meaning given the term in subsection (h) of section 1861 of the Social Security Act (42 U.S.C. 1395x).

''(2) The term 'post-hospital extended services' has the meaning given the term in subsection (i) of section 1861 of the Social Security Act (42 U.S.C. 1395x).

''(3) The term 'home health services' has the meaning given the term in subsection (m) of section 1861 of the Social Security Act (42 U.S.C. 1395x).

''(4) The term 'skilled nursing facility' has the meaning given the term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a)).

''(5) The term 'spell of illness' has the meaning given the term in subsection (a) of section 1861 of the Social Security Act (42 U.S.C. 1395x).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074i the following new item:

''1074j. Long term care benefits program.''.

SEC. 704. EXTENDED BENEFITS FOR DISABLED BENEFICIARIES.

Section 1079 of title 10, United States Code, is amended by striking subsections (d), (e), and (f) and inserting the following:

''(d)(1) The health care benefits contracted for under this section shall include extended benefits for dependents referred to in the first sentence of subsection (a) who have any of the following qualifying conditions:

''(A) Moderate or severe mental retardation.

''(B) A serious physical disability.

''(C) Any extraordinary physical or psychological condition.

''(2) The extended benefits under paragraph (1) may include comprehensive health care, including services necessary to maintain function, or to minimize or prevent deterioration of function, of the patient, and case management services, to the extent not otherwise provided under this chapter with respect to a qualifying condition, as follows:

''(A) Diagnosis.

''(B) Inpatient, outpatient, and comprehensive home health supplies and services.

''(C) Training and rehabilitation, including special education and assistive technology devices.

''(D) Institutional care in private nonprofit, public, and State institutions and facilities and, when appropriate, transportation to and from such institutions and facilities.

''(E) Any other services and supplies determined appropriate under regulations prescribed under paragraph (9).

''(3) The extended benefits under paragraph (1) may also include respite care for the primary caregiver of a dependent eligible for extended benefits under this subsection.

''(4) Home health supplies and services may be provided to a dependent under paragraph (2)(B) as other than part-time or intermittent services (as determined in accordance with the second sentence of section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)) only if—

''(A) the provision of such supplies and services in the home of the dependent is medically appropriate; and

''(B) the cost of the provision of such supplies and services to the dependent is equal to or less than the cost of the provision of similar supplies and services to the dependent in a skilled nursing facility.

''(5) Subsection (a)(13) shall not apply to the provision of care and services determined appropriate to be provided as extended benefits under this subsection.

''(6) Subject to paragraph (7), a member of the uniformed services shall pay a share of the cost of any care and services provided as extended benefits to any of the dependents of the member under this subsection as follows:

''(A) In the case of a member in the lowest enlisted pay grade, the first $25 of the cumulative costs of all care furnished to one or more dependents of the member in a month.

''(B) In the case of a member in the highest commissioned pay grade, the first $250 of the cumulative costs of all care furnished to one or more dependents of the member in a month.

''(C) In the case of a member in any other pay grade, a fixed amount of the cumulative costs of all care furnished to one or more dependents of the member in a month, as prescribed for that pay grade in regulations prescribed under paragraph (9).

''(7)(A) In the case of extended benefits provided under subparagraph (C) or (D) of paragraph (2) to a dependent of a member of the uniformed services—

''(i) the Government's share of the total cost of providing such benefits in any month shall not exceed $2,500, except for costs that a member is exempt from paying under subparagraph (B); and

''(ii) the member shall pay (in addition to any amount payable under paragraph (6)) the amount, if any, by which the amount of such total cost for the month exceeds the Government's maximum share under clause (i).

''(B) A member of the uniformed services who incurs expenses under subparagraph (A) for a month for more than one dependent shall not be required to pay for the month under clause (ii) of that subparagraph an amount greater than the amount the member would otherwise be required to pay under that clause for the month if the member were incurring expenses under that subparagraph for only one dependent.

''(8) To qualify for extended benefits under subparagraph (C) or (D) of paragraph (2), a dependent of a member of the uniformed services shall be required to use public facilities to the extent such facilities are available and adequate, as determined under joint regulations of the administering Secretaries.

''(9) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations to carry out this subsection.''.

SEC. 705. CONFORMING REPEALS.

The following provisions of law are repealed:

(1) Section 703 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 682; 10 U.S.C. 1077 note).

(2) Section 8118 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1260).

(3) Section 8100 of the Department of Defense Appropriations Act, 2001 (Public Law 106–259; 114 Stat. 696).

SEC. 706. PROSTHETICS AND HEARING AIDS.

Section 1077 of title 10 United States Code, is amended—

(1) in subsection (a), by adding at the end the following:

''(16) A hearing aid, but only for a dependent of a member of the uniformed services on active duty and only if the dependent has a profound hearing loss, as determined under standards prescribed in regulations by the Secretary of Defense in consultation with the administering Secretaries.'';

(2) in subsection (b)(2), by striking ''Hearing aids, orthopedic footwear,'' and inserting ''Orthopedic footwear''; and

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

''(f)(1) Authority to provide a prosthetic device under subsection (a)(15) includes authority to provide the following:

''(A) Any accessory or item of supply that is used in conjunction with the device for the purpose of achieving therapeutic benefit and proper functioning.

''(B) Services necessary to train the recipient of the device in the use of the device.

''(C) Repair of the device for normal wear and tear or damage.

''(D) Replacement of the device if the device is lost or irreparably damaged or the cost of repair would exceed 60 percent of the cost of replacement.

''(2) An augmentative communication device may be provided as a voice prosthesis under subsection (a)(15).

''(3) A prosthetic device customized for a patient may be provided under this section only by a prosthetic practitioner who is qualified to customize the device, as determined under regulations prescribed by the Secretary of Defense in consultation with the administering Secretaries.''.

SEC. 707. DURABLE MEDICAL EQUIPMENT.

(a) ITEMS AUTHORIZED.—Section 1077 of title 10, United States Code, as amended by section 706, is further amended—

(1) in subsection (a)(12), by striking ''such as wheelchairs, iron lungs, and hospital beds,'' and inserting ''which''; and

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

''(g)(1) Items that may be provided to a patient under subsection (a)(12) include the following:

''(A) Any durable medical equipment that can improve, restore, or maintain the function of a malformed, diseased, or injured body part, or can otherwise minimize or prevent the deterioration of the patient's function or condition.

''(B) Any durable medical equipment that can maximize the patient's function consistent with the patient's physiological or medical needs.

''(C) Wheelchairs.

''(D) Iron lungs,

''(E) Hospital beds.

''(2) In addition to the authority to provide durable medical equipment under subsection (a)(12), any customization of equipment owned by the patient that is durable medical equipment authorized to be provided to the patient under this section or section 1079(a)(5) of this title, and any accessory or item of supply for any such equipment, may be provided to the patient if the customization, accessory, or item of supply is essential for—

''(A) achieving therapeutic benefit for the patient;

''(B) making the equipment serviceable; or

''(C) otherwise assuring the proper functioning of the equipment.''.

(b) PROVISION OF ITEMS ON RENTAL BASIS.—Paragraph (5) of section 1079(a) of such title is amended to read as follows:

''(5) Durable equipment provided under this section may be provided on a rental basis.''.

SEC. 708. REHABILITATIVE THERAPY.

Section 1077(a) of title 10, United States Code, as amended by section 706(1), is further amended by inserting after paragraph (16) the following new paragraph:

''(17) Any rehabilitative therapy to improve, restore, or maintain function, or to minimize or prevent deterioration of function, of a patient when prescribed by a physician.''.

SEC. 709. MENTAL HEALTH BENEFITS.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall carry out a study to determine the adequacy of the scope and availability of outpatient mental health benefits provided for members of the Armed Forces and covered beneficiaries under the TRICARE program.

(b) REPORT.—Not later than March 31, 2002, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the study, including the conclusions and any recommendations for legislation that the Secretary considers appropriate.

SEC. 710. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect on October 1, 2001.

Subtitle B—Other Matters

SEC. 711. REPEAL OF REQUIREMENT FOR PERIODIC SCREENINGS AND EXAMINATIONS AND RELATED CARE FOR MEMBERS OF ARMY RESERVE UNITS SCHEDULED FOR EARLY DEPLOYMENT.

Section 1074a of title 10, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsection (e) as subsection (d).

SEC. 712. CLARIFICATION OF ELIGIBILITY FOR REIMBURSEMENT OF TRAVEL EXPENSES OF ADULT ACCOMPANYING PATIENT IN TRAVEL FOR SPECIALTY CARE.

Section 1074i of title 10, United States Code, is amended by inserting before the period at the end the following: ''and, when accompaniment by an adult is necessary, for a parent or guardian of the covered beneficiary or another member of the covered beneficiary's family who is at least 21 years of age''.

SEC. 713. TRICARE PROGRAM LIMITATIONS ON PAYMENT RATES FOR INSTITUTIONAL HEALTH CARE PROVIDERS AND ON BALANCE BILLING BY INSTITUTIONAL AND NONINSTITUTIONAL HEALTH CARE PROVIDERS.

(a) INSTITUTIONAL PROVIDERS.—Section 1079(j) of title 10, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking ''(A)''; and

(B) by striking ''may be determined under joint regulations'' and inserting ''shall be determined under joint regulations'';

(2) by redesignating subparagraph (B) of paragraph (2) as paragraph (4), and, in such paragraph, as so redesignated, by striking ''subparagraph (A),'' and inserting ''this subsection,''; and

(3) by inserting before paragraph (4), as redesignated by paragraph (2), the following new paragraph (3):

''(3) A contract for a plan covered by this section shall include a clause that prohibits each provider of services under the plan from billing any person covered by the plan for any balance of charges for services in excess of the amount paid for those services under the joint regulations referred to in paragraph (2), except for any unpaid amounts of deductibles or copayments that are payable directly to the provider by the person.''.

(b) NONINSTITUTIONAL PROVIDERS.—Section 1079(h)(4) of such title is amended—

(1) by inserting ''(A)'' after ''(4)''; and

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

''(B) The regulations shall include a restriction that prohibits an individual health care professional (or other noninstitutional health care provider) from billing a beneficiary for services for more than the amount that is equal to—

''(i) the excess of the limiting charge (as defined in section 1848(g)(2) of the Social Security Act (42 U.S.C. 1395w–4(g)(2))) that would be applicable if the services had been provided by the professional (or other provider) as an individual health care professional (or other noninstitutional health care provider) on a nonassignment-related basis under part B of title XVIII of such Act over the amount that is payable by the United States for those services under this subsection, plus

''(ii) any unpaid amounts of deductibles or copayments that are payable directly to the professional (or other provider) by the beneficiary.''.

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

SEC. 714. TWO-YEAR EXTENSION OF HEALTH CARE MANAGEMENT DEMONSTRATION PROGRAM.

(a) EXTENSION.—Subsection (d) of section 733 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–191) is amended by striking ''December 31, 2001'' and inserting ''December 31, 2003''.

(b) REPORT.—Subsection (e) of that section is amended—

(1) by striking ''REPORTS.—'' and inserting ''REPORT.—''; and

(2) by striking ''March 15, 2002'' and inserting ''March 15, 2004''.

SEC. 715. STUDY OF HEALTH CARE COVERAGE OF MEMBERS OF THE SELECTED RESERVE.

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the

needs of members of the Selected Reserve of the Ready Reserve of the Armed Forces and their families for health care benefits.

(b) REPORT.—Not later than March 1, 2002, the Comptroller General shall submit to Congress a report on the study under subsection (a). The report shall include the following matters:

(1) An analysis of how members of the Selected Reserve currently obtain coverage for health care benefits when not on active duty, together with statistics on enrollments in health care benefits plans, including—

(A) the percentage of members of the Selected Reserve who are not covered by an employer health benefits plan;

(B) the percentage of members of the Selected Reserve who are not covered by an individual health benefits plan; and

(C) the percentage of members of the Selected Reserve who are not covered by any health insurance or other health benefits plan.

(2) An assessment of the disruptions in health benefits coverage that a mobilization of members of the Selected Reserve has caused for the members and their families.

(3) An assessment of the cost and effectiveness of various options for preventing or reducing disruptions described in paragraph (2), including—

(A) providing health care benefits to all members of the Selected Reserve and their families through TRICARE, the Federal Employees Health Benefits Program, or otherwise;

(B) revising and extending the program of transitional medical and dental care that is provided under section 1074b of title 10, United States Code, for members of the Armed Forces upon release from active duty served in support of a contingency operation;

(C) requiring the health benefits plans of members of the Selected Reserve, including individual health benefits plans and group health benefits plans, to permit members of the Selected Reserve to elect to resume coverage under such health benefits plans upon release from active duty in support of a contingency operation;

(D) providing financial assistance for paying premiums or other subscription charges for continuation of coverage by private sector health insurance or other health benefits plans; and

(E) any other options that the Comptroller General determines advisable to consider.

SEC. 716. STUDY OF ADEQUACY AND QUALITY OF HEALTH CARE PROVIDED TO WOMEN UNDER THE DEFENSE HEALTH PROGRAM.

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the adequacy and quality of the health care provided to women under chapter 55 of title 10, United States Code.

(b) SPECIFIC CONSIDERATION.—The study shall include an intensive review of the availability and quality of reproductive health care services.

(c) REPORT.—The Comptroller General shall submit a report on the results of the study to Congress not later than April 1, 2002.

SEC. 717. PILOT PROGRAM FOR DEPARTMENT OF VETERANS AFFAIRS SUPPORT FOR DEPARTMENT OF DEFENSE IN THE PERFORMANCE OF SEPARATION PHYSICAL EXAMINATIONS.

(a) AUTHORITY.—The Secretary of Defense and the Secretary of Veterans Affairs may jointly carry out a pilot program for the performance of the physical examinations required in connection with the separation of members of the uniformed services. The requirements of this section shall apply to a pilot program, if any, that is carried out under the authority of this subsection.

(b) PERFORMANCE OF PHYSICAL EXAMINATIONS BY DEPARTMENT OF VETERANS AFFAIRS.—Under the pilot program, the Secretary of Veterans Affairs shall perform the physical examinations of members of the uniformed services separating from the uniformed services who are in one or more geographic areas designated for the pilot program by the Secretaries.

(c) REIMBURSEMENT.—The Secretary of Defense shall provide for reimbursing the Secretary of Veterans Affairs for the cost incurred by the Secretary of Veterans Affairs in performing, under the pilot program, the items of physical examination that are required by the Secretary concerned in connection with the separation of a member of a uniformed service. Reimbursements shall be paid out of funds available for the performance of separation physical examinations of members of that uniformed service in facilities of the uniformed services.

(d) AGREEMENT.—(1) The Secretary of Defense and the Secretary of Veterans Affairs shall enter into an agreement for carrying out a pilot program established under this section. The agreement shall specify the geographic area in which the pilot program is carried out and the means for making reimbursement payments.

(2) The other administering Secretaries shall also enter into the agreement to the extent that the Secretary of Defense determines necessary to apply the pilot program, including the requirement for reimbursement, to the uniformed services not under the jurisdiction of the Secretary of a military department.

(e) CONSULTATION REQUIREMENT.—In developing and carrying out the pilot program, the Secretary of Defense shall consult with the other administering Secretaries.

(f) PERIOD OF PROGRAM.—Any pilot program established under this section shall begin not later than July 1, 2002, and terminate on December 31, 2005.

(g) REPORTS.—(1) Not later than January 31, 2004, the Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to Congress an interim report on the conduct of the pilot program.

(2) Not later than March 1, 2005, the Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to Congress a final report on the conduct of the pilot program.

(3) Each report under this subsection shall include the Secretaries' assessment, as of the date of such report, of the efficacy of the performance of separation physical examinations as provided for under the pilot program.

(h) DEFINITIONS.—In this section:

(1) The term ''administering Secretaries'' has the meaning given the term in section 1072(3) of title 10, United States Code.

(2) The term ''Secretary concerned'' has the meaning given the term in section 101(5) of title 37, United States Code.

SEC. 718. MODIFICATION OF PROHIBITION ON REQUIREMENT OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.

(a) CLARIFICATION OF COVERED BENEFICIARIES.—Subsection (a) of section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–184) is amended by striking ''covered beneficiary under chapter 55 of title 10, United States Code, who is enrolled in TRICARE Standard,'' and inserting ''covered beneficiary under TRICARE Standard pursuant to chapter 55 of title 10, United States Code,''.

(b) REPEAL OF REQUIREMENT FOR NOTIFICATION REGARDING HEALTH CARE RECEIVED FROM ANOTHER SOURCE.—Subsection (b) of such section is repealed.

(c) WAIVER AUTHORITY.—Such section, as so amended, is further amended by striking subsection (c) and inserting the following:

''(b) WAIVER AUTHORITY.—The Secretary may waive the prohibition in subsection (a) if—

''(1) the Secretary—

''(A) demonstrates that significant costs would be avoided by performing specific procedures at the affected military medical treatment facility or facilities;

''(B) determines that a specific procedure must be provided at the affected military medical treatment facility or facilities to ensure the proficiency levels of the practitioners at the facility or facilities; or

''(C) determines that the lack of nonavailability statement data would significantly interfere with TRICARE contract administration;

''(2) the Secretary provides notification of the Secretary's intent to grant a waiver under this subsection to covered beneficiaries who receive care at the military medical treatment facility or facilities that will be affected by the decision to grant a waiver under this subsection;

''(3) the Secretary notifies the Committees on Armed Services of the House of Representatives and the Senate of the Secretary's intent to grant a waiver under this subsection, the reason for the waiver, and the date that a nonavailability statement will be required; and

''(4) 60 days have elapsed since the date of the notification described in paragraph (3).''.

(d) DELAY OF EFFECTIVE DATE.—Subsection (d) of such section is amended—

(1) by striking ''take effect on October 1, 2001'' and inserting ''be effective beginning on the date that is two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002''; and

(2) by redesignating the subsection as subsection (c).

(e) REPORT.—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the House of Representatives and the Senate a report on the Secretary's plans for implementing section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as amended by this section.

SEC. 719. TRANSITIONAL HEALTH CARE TO MEMBERS SEPARATED FROM ACTIVE DUTY.

(a) PERMANENT AUTHORITY FOR INVOLUNTARILY SEPARATED MEMBERS AND MOBILIZED RESERVES.—Subsection (a) of section 1145 of title 10, United States Code, is amended—

(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)'';

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

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

''(2) This subsection applies to the following members of the armed forces:

''(A) A member who is involuntarily separated from active duty.

''(B) A member of a reserve component who is separated from active duty to which called or ordered in support of a contingency operation if the active duty is active duty for a period of more than 30 days.

''(C) A member who is separated from active duty for which the member is involuntarily retained under section 12305 of this title in support of a contingency operation.

''(D) A member who is separated from active duty served pursuant to a voluntary agreement of the member to remain on active duty for a period of less than one year in support of a contingency operation.''; and

(4) in paragraph (3), as redesignated by paragraph (2), is amended by striking ''involuntary'' each place it appears.

(b) CONFORMING AMENDMENTS.—Such section 1145 is further amended—

(1) in subsection (c)(1), by striking ''during the period beginning on October 1, 1990, and ending on December 31, 2001''; and

(2) in subsection (e), by striking the first sentence.

(c) REPEAL OF SUPERSEDED AUTHORITY.—(1) Section 1074b of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 55 of such title is amended by striking the item relating to section 1074b.

(d) TRANSITION PROVISION.—Notwithstanding the repeal of section 1074b of title 10, United States Code, by subsection (c), the provisions of that section, as in effect before the date of the enactment of this Act, shall continue to apply to a member of the Armed Forces who is released from active duty in support of a contingency operation before that date.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Procurement Management and Administration

SEC. 801. MANAGEMENT OF PROCUREMENTS OF SERVICES.

(a) RESPONSIBILITY OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS.—Section 133(b) of title 10, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (4);

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following new paragraph (5):

''(5) managing the procurements of services for the Department of Defense; and''.

(b) REQUIREMENT FOR MANAGEMENT STRUCTURE.—(1) Chapter 137 of such title is amended by inserting after section 2328 the following new section:

''§ 2330. Procurements of services: management structure

''(a) REQUIREMENT FOR MANAGEMENT STRUCTURE.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall establish a structure for the management of procurements of services for the Department of Defense.

''(b) DELEGATION OF AUTHORITY.—(1) The management structure shall provide for a designated official in each Defense Agency, military department, and command to exercise the responsibility for the management of the procurements of services for the official's Defense Agency, military department, or command, respectively.

''(2) For the exercise of the responsibility under paragraph (1), a designated official shall report, and be accountable, to—

''(A) the Under Secretary of Defense for Acquisition, Technology, and Logistics; and

''(B) such other officials as the Under Secretary may prescribe for the management structure.

''(3) Paragraph (2) shall not affect the responsibility of a designated official for a military department who is not the Secretary of that military department to report, and be accountable, to the Secretary of the military department.

''(c) CONTRACTING RESPONSIBILITIES OF DESIGNATED OFFICIALS.—The responsibilities of an official designated under subsection (b) shall include, with respect to the procurements of services for the Defense Agency, military department, or command of that official, the following:

''(1) Ensuring that the services are procured by means of contracts or task orders that are in the best interests of the Department of Defense and are entered into or issued and managed in compliance with the applicable statutes, regulations, directives, and other requirements, regardless of whether the services are procured through a contract of the Department of Defense or through a contract entered into by an official of the United States outside the Department of Defense.

''(2) Establishing within the Department of Defense appropriate contract vehicles for use in the procurement of services so as to ensure that officials of the Department of Defense are accountable for the procurement of the services in accordance with the requirements of paragraph (1).

''(3) Analyzing data collected under section 2330a of this title on contracts that are entered into for the procurement of services.

''(4) Approving, in advance, any procurement of services that is to be made through the use of—

''(A) a contract or task order that is not a performance-based contract or task order; or

''(B) a contract entered into, or a task order issued, by an official of the United States outside the Department of Defense.

''(d) DEFINITION.—In this section, the term 'performance-based', with respect to a contract or a task order means that the contract or task– order, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.''.

(2) Not later than 180 days after the date of the enactment of this Act, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall issue guidance for officials in the management structure established under section 2330 of title 10, United States Code (as added by paragraph (1)), regarding how to carry out their responsibilities under that section. The guidance shall include, at a minimum, the following:

(A) Specific dollar thresholds, approval levels, and criteria for advance approvals under subsection (c)(4) of such section 2330.

(B) A prohibition on the procurement of services through the use of a contract entered into, or a task order issued, by an official of the United States outside the Department of Defense that is not a performance-based contract or task order, unless an appropriate official in the management structure established under such section 2330 determines in writing that the use of that means for the procurement is justified on the basis of exceptional circumstances as being in the best interests of the Department of Defense.

(c) TRACKING OF PROCUREMENTS OF SERVICES.—Chapter 137 of title 10, United States Code, as amended by subsection (b), is further amended by inserting after section 2330 the following new section:

''§ 2330a. Procurements of services: tracking

''(a) DATA COLLECTION REQUIRED.—The Secretary of Defense shall establish a data collection system to provide management information with regard to each purchase of services by a military department or Defense Agency in excess of the simplified acquisition threshold, regardless of whether such a purchase is made in the form of a contract, task order, delivery order, military interdepartmental purchase request, or any other form of interagency agreement.

''(b) DATA TO BE COLLECTED.—The data required to be collected under subsection (a) includes the following:

''(1) The services purchased.

''(2) The total dollar amount of the purchase.

''(3) The form of contracting action used to make the purchase.

''(4) Whether the purchase was made through—

''(A) a performance-based contract, performance-based task order, or other performance-based arrangement that contains firm fixed prices for the specific tasks to be performed;

''(B) any other performance-based contract, performance-based task order, or performance-based arrangement; or

''(C) any contract, task order, or other arrangement that is not performance based.

''(5) In the case of a purchase made through an agency other than the Department of Defense—

''(A) the agency through which the purchase is made; and

''(B) the reasons for making the purchase through that agency.

''(6) The extent of competition provided in making the purchase (including the number of offerors).

''(7) whether the purchase was made from—

''(A) a small business concern;

''(B) a small business concern owned and controlled by socially and economically disadvantaged individuals; or

''(C) a small business concern owned and controlled by women.

''(c) COMPATIBILITY WITH DATA COLLECTION SYSTEM FOR INFORMATION TECHNOLOGY PURCHASES.—To the maximum extent practicable, a single data collection system shall be used to collect data under this section and information under section 2225 of this title.

''(d) DEFINITIONS.—In this section:

''(1) The term 'performance-based', with respect to a contract, task order, or arrangement, means that the contract, task order, or arrangement, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

''(2) The definitions set forth in section 2225(f) of this title for the terms 'simplified acquisition threshold', 'small business concern', 'small business concern owned and controlled by socially and economically disadvantaged individuals', and 'small business concern owned and controlled by women' shall apply.''.

(d) REQUIREMENT FOR PROGRAM REVIEW STRUCTURE.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall issue and implement a policy that applies to the procurement of services by the Department of Defense a program review structure that is similar to the one developed for and applied to the procurement of systems by the Department of Defense.

(2) The program review structure for the procurement of services shall, at a minimum, include the following:

(A) Standards for determining which procurements should be subject to review by either the senior procurement executive of a military department or the senior procurement executive of the Department of Defense under such section, including criteria based on dollar thresholds, program criticality, or other appropriate measures.

(B) Appropriate milestones at which those reviews should take place.

(C) A description of the specific matters that should be reviewed.

(e) COMPTROLLER GENERAL REVIEW.—Not later than 90 days after the date on which the Secretary issues the policy required by subsection (d) and the Under Secretary of Defense for Acquisition, Technology, and Logistics issues the guidance required by subsection (b)(2), the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives an assessment of the compliance with the requirements of this section and the amendments made by this section.

(f) DEFINITIONS.—In this section:

(1) The term ''senior procurement executive'' means the official designated as the senior procurement executive under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

(2) The term ''performance-based'', with respect to a contract or a task order means that the contract or task order, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

(g) CLERICAL AMENDMENTS.—(1) The heading for section 2331 of title 10, United States Code, is amended to read as follows:

''§ 2331. Procurements of services: contracts for professional and technical services''.

(2) The table of sections at the beginning of chapter 137 of such title is amended by striking the item relating to section 2331 and inserting the following new items:

''2330. Procurements of services: management structure.
''2330a. Procurements of services: tracking.
''2331. Procurements of services: contracts for professional and technical services.''.

SEC. 802. SAVINGS GOALS FOR PROCUREMENTS OF SERVICES.

(a) GOALS.—(1) It shall be an objective of the Department of Defense to achieve savings in expenditures for procurements of services through the use of—

(A) performance-based services contracting;

(B) competition for task orders under services contracts; and

(C) program review, spending analyses, and improved management of services contracts.

(2) In furtherance of that objective, the Department of Defense shall have goals to use improved management practices to achieve, over 10 fiscal years, reductions in the total amount that would otherwise be expended by the Department for the procurement of services (other than military construction) in a fiscal year by the amount equal to 10 percent of the total amount of the expenditures of the Department for fiscal year 2000 for procurement of services (other than military construction), as follows:

(A) By fiscal year 2002, a three percent reduction.

(B) By fiscal year 2003, a four percent reduction.

(C) By fiscal year 2004, a five percent reduction.

(D) By fiscal year 2011, a ten percent reduction.

(b) ANNUAL REPORT.—Not later than March 1, 2002, and annually thereafter through March 1, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the progress made toward meeting the objective and goals established in subsection (a). Each report shall include, at a minimum, the following information:

(1) A summary of the steps taken or planned to be taken in the fiscal year of the report to improve the management of procurements of services.

(2) A summary of the steps planned to be taken in the following fiscal year to improve the management of procurements of services.

(3) An estimate of the amount that will be expended by the Department of Defense for procurements of services in the fiscal year of the report.

(4) An estimate of the amount that will be expended by the Department of Defense for procurements of services in the following fiscal year.

(5) An estimate of the amount of savings that, as a result of improvement of the management practices used by the Department of Defense, will be achieved for the procurement of services by the Department in the fiscal year of the report and in the following fiscal year.

(c) REVIEW AND REPORT BY COMPTROLLER GENERAL.—The Comptroller General shall review each report submitted by the Secretary pursuant to subsection (b), and within 90 days after the date of the report, submit to Congress a report containing the Comptroller General's assessment of the extent to which the Department of Defense has taken steps necessary to achieve the objective and goals established by subsection (a). In each report the Comptroller General shall, at a minimum, address—

(1) the accuracy and reliability of the estimates included in the Secretary's report; and

(2) the effectiveness of the improvements in management practices that have been taken, and those that are planned to be taken, in the Department of Defense to achieve savings in procurements of services by the Department.

SEC. 803. COMPETITION REQUIREMENT FOR PURCHASES PURSUANT TO MULTIPLE AWARD CONTRACTS.

(a) REGULATIONS REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall promulgate in the Department of Defense Supplement to the Federal Acquisition Regulation regulations requiring competition in the purchase of products and services by the Department of Defense pursuant to multiple award contracts.

(b) CONTENT OF REGULATIONS.—The regulations required by subsection (a) shall provide, at a minimum, that each individual procurement of products and services in excess of $50,000 that is made under a multiple award contract shall be made on a competitive basis unless a contracting officer of the Department of Defense—

(1) waives the requirement on the basis of a determination that one of the circumstances described in paragraphs (1) through (4) of section 2304(c) of title 10, United States Code, applies to such individual procurement; and

(2) justifies the determination in writing.

(c) REPORTING REQUIREMENT.—The Secretary shall submit to the congressional defense committees each year a report on the use of the waiver authority provided in the regulations prescribed under subsection (b). The report for a year shall include, at a minimum, for each military department and each Defense Agency, the following:

(1) The number of the waivers granted.

(2) The dollar value of the procurements for which the waivers were granted.

(3) The bases on which the waivers were granted.

(d) DEFINITIONS.—In this section:

(1) The term ''individual procurement'' means a task order, delivery order, or other purchase.

(2) The term ''multiple award contract'' means—

(A) a contract that is entered into by the Administrator of General Services under the multiple award schedule program referred to in section 2302(2)(C) of title 10, United States Code;

(B) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 2304a through 2304d of title 10, United States Code, or sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

(C) any other indeterminate delivery, indeterminate quantity contract that is entered into by the head of a Federal agency with two or more sources pursuant to the same solicitation.

(3) The term ''competitive basis'', with respect to an individual procurement of products or services under a multiple award contract, means procedures that—

(A) require fair notice to be provided to all contractors offering such products or services under the multiple award contract of the intent to make that procurement; and

(B) afford all such contractors a fair opportunity to make an offer and have that offer fully and fairly considered by the official making the procurement.

(4) The term ''Defense Agency'' has the meaning given that term in section 101(a)(11) of title 10, United States Code.

(e) APPLICABILITY.—The regulations promulgated by the Secretary pursuant to subsection (a) shall take effect not later than 180 days after the date of the enactment of this Act and shall apply to all individual procurements that are made under multiple award contracts on or after the effective date, without regard to whether the multiple award contracts were entered into before, on, or after such effective date.

SEC. 804. RISK REDUCTION AT INITIATION OF MAJOR DEFENSE ACQUISITION PROGRAM.

(a) STANDARD FOR TECHNOLOGICAL MATURITY.—(1) Chapter 144 of title 10, United States Code, is amended by inserting after section 2431 the following new section:

''§ 2431a. Risk reduction at program initiation

''(a) REQUIREMENT FOR DEMONSTRATION OF CRITICAL TECHNOLOGIES.—Each critical technology that is to be used in production under a major defense acquisition program shall be successfully demonstrated in a relevant environment, as determined in writing by the Under Secretary of Defense for Acquisition, Technology, and Logistics.

''(b) PROHIBITION.—Neither of the following actions may be taken in a major defense acquisition program before the requirement of subsection (a) has been satisfied for the program:

''(1) Milestone B approval.

''(2) Initiation of the program without a Milestone B approval.

''(c) WAIVER.—The Under Secretary of Defense for Acquisition, Technology, and Logistics may waive the prohibition in subsection (b) with respect to a major defense acquisition program if the Milestone Decision Authority for the program certifies to the Under Secretary that exceptional circumstances justify proceeding with an action described in that subsection for the program before compliance with subsection (a).

''(d) ANNUAL REPORT ON WAIVERS.—(1) The Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives each year the justification for any waiver granted with respect to a major defense acquisition program under subsection (c) during the fiscal year covered by the report.

''(2) The report for a fiscal year shall be submitted with the submission of the weapons development and procurement schedules under section 2431 of this title and shall cover the fiscal year preceding the fiscal year in which submitted.

''(e) DEFINITIONS.—In this section:

''(1) The term 'Milestone B approval' means approval to begin integrated system development and demonstration.

''(2) The term 'Milestone Decision Authority' means the official of the Department of Defense who is designated in accordance with criteria prescribed by the Secretary of Defense to approve entry of a major defense acquisition program into the next phase of the acquisition process.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2431 the following:

''2431a. Risk reduction at program initiation.''.

(b) EFFECTIVE DATE AND APPLICABILITY.—(1) Section 2431a of title 10, United States Code (as added by subsection (a)), shall take effect on the date of the enactment of this Act and shall apply to—

(A) any major defense acquisition program that is initiated on or after that date without a Milestone B approval having been issued for the program; and

(B) any major defense acquisition program that is initiated more than 6 months after that date with a Milestone B approval having been issued for the program before the initiation of the program.

(2) In paragraph (1):

(A) The term ''major defense acquisition program'' has the meaning given the term in section 2430 of title 10, United States Code.

(B) The term ''Milestone B approval'' has the meaning given the term under section 2431a(d) of title 10, United States Code (as added by subsection (a)).

SEC. 805. FOLLOW-ON PRODUCTION CONTRACTS FOR PRODUCTS DEVELOPED PURSUANT TO PROTOTYPE PROJECTS.

Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—

(1) by redesignating subsection (f) as subsection (g); and

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

''(f) FOLLOW-ON PRODUCTION CONTRACTS.—(1) A transaction entered into under this section for a prototype project that satisfies the conditions set forth in subsection (d)(1)(B)(i) may provide for the award of a follow-on production contract to the participants in the transaction for a specific number of units at specific target prices. The number of units specified in the transaction shall be determined on the basis of a balancing of the level of the investment made in the project by the participants other than the Federal Government with the interest of the Federal Government in having competition among sources in the acquisition of the product or products prototyped under the project.

''(2) A follow-on production contract provided for in a transaction under paragraph (1) may be awarded to the participants in the transaction without the use of competitive procedures, notwithstanding the requirements of section 2304 of title 10, United States Code, if—

''(A) competitive procedures were used for the selection of parties for participation in the transaction;

''(B) the participants in the transaction successfully completed the prototype project provided for in the transaction;

''(C) the number of units provided for in the follow-on production contract does not exceed the number of units specified in the transaction for such a follow-on production contract; and

''(D) the prices established in the follow-on production contract do not exceed the target prices specified in the transaction for such a follow-on production contract.''.

Subtitle B—Defense Acquisition and Support Workforce

SEC. 811. REPORT ON IMPLEMENTATION OF RECOMMENDATIONS OF THE ACQUISITION 2005 TASK FORCE.

(a) REQUIREMENT FOR REPORT.—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the extent of the implementation of the recommendations set forth in the final report of the Department of Defense Acquisition 2005 Task Force, entitled ''Shaping the Civilian Acquisition Workforce of the Future''.

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

(1) For each recommendation in the final report that is being implemented or that the Secretary plans to implement—

(A) a summary of all actions that have been taken to implement the recommendation; and

(B) a schedule, with specific milestones, for completing the implementation of the recommendation.

(2) For each recommendation in the final report that the Secretary does not plan to implement—

(A) the reasons for the decision not to implement the recommendation; and

(B) a summary of any alternative actions the Secretary plans to take to address the purposes underlying the recommendation.

(3) A summary of any additional actions the Secretary plans to take to address concerns raised in the final report about the size and structure of the acquisition workforce of the Department of Defense.

(c) COMPTROLLER GENERAL REVIEW.—Not later than 60 days after the date on which the Secretary submits the report required by subsection (a), the Comptroller General shall—

(1) review the report; and

(2) submit to the committees referred to in subsection (a) the Comptroller General's assessment of the extent to which the report—

(A) complies with the requirements of this section; and

(B) addresses the concerns raised in the final report about the size and structure of the acquisition workforce of the Department of Defense.

SEC. 812. MORATORIUM ON REDUCTION OF THE DEFENSE ACQUISITION AND SUPPORT WORKFORCE.

(a) PROHIBITION.—Notwithstanding any other provision of law, the defense acquisition and support workforce may not be reduced, during fiscal years 2002, 2003, and 2004, below the level of that workforce as of September 30, 2001, determined on the basis of full-time equivalent positions.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the prohibition in subsection (a) and reduce the level of the defense acquisition and support workforce upon submitting to Congress the Secretary's certification that the defense acquisition and support workforce, at the level to which reduced, will be able efficiently and effectively to perform the workloads that are required of that workforce consistent with the cost-effective management of the defense acquisition system to obtain best value equipment and with ensuring military readiness.

(c) DEFENSE ACQUISITION AND SUPPORT WORKFORCE DEFINED.—In this section, the term ''defense acquisition and support workforce'' means Armed Forces and civilian personnel who are assigned to, or are employed in, an organization of the Department of Defense that is—

(1) an acquisition organization specified in Department of Defense Instruction 5000.58, dated January 14, 1992; or

(2) an organization not so specified that has acquisition as its predominant mission, as determined by the Secretary of Defense.

SEC. 813. REVISION OF ACQUISITION WORKFORCE QUALIFICATION REQUIREMENTS.

(a) SPECIAL REQUIREMENTS FOR MEMBERS OF A CONTINGENCY CONTRACTING FORCE.—(1) Subchapter II of chapter 87 of title 10, United States Code, is amended by inserting after section 1724 the following new section:

''§ 1724a. Contingency contracting force: qualification requirements

''(a) CONTINGENCY CONTRACTING FORCE.—The Secretary of Defense may identify as a contingency contracting force the acquisition positions described in subsections (a) and (b) of section 1724 of this title that involve duties requiring the personnel in those positions to deploy to perform contracting functions in support of a contingency operation or other Department of Defense operation.

''(b) QUALIFICATION REQUIREMENTS.—The Secretary of Defense shall prescribe the qualification requirements for a person appointed to a position in any contingency contracting force identified under subsection (a). The requirements shall include requirements that the person—

''(1) either—

''(A) have completed the credits of study as described in section 1724(a)(3)(B) of this title;

''(B) have passed an examination considered by the Secretary of Defense to demonstrate that the person has skills, knowledge, or abilities comparable to that of a person who has completed the credits of study described in such section; or

''(C) through a combination of having completed some of the credits of study described in such section and having passed an examination, have demonstrated that the person has skills, knowledge, or abilities comparable to that of a person who has completed all of the credits of study described in such section; and

''(2) have satisfied such additional requirements for education and experience as the Secretary may prescribe.''.

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 1724 the following new item:

''1724a. Contingency contracting force: qualification requirements.''.

(b) EXCEPTIONS TO GENERALLY APPLICABLE QUALIFICATION REQUIREMENTS.—Subsection (c) of such section is amended to read as follows:

''(c) EXCEPTIONS.—(1) The requirements imposed under subsection (a) or (b) of this section shall not apply to a person for either of the following purposes:

''(A) In the case of an employee, to qualify to serve in the position in which the employee was serving on October 1, 1993, or in any other position in the same or lower grade and involving the same or lower level of responsibilities as the position in which the employee was serving on such date.

''(B) To qualify to serve in an acquisition position in any contingency contracting force identified under section 1724a of this title.

''(2) Subject to paragraph (3), the requirements imposed under subsection (a) or (b) shall not apply to a person who, before October 1, 2000, served—

''(A) as a contracting officer in an executive agency with authority to award or administer contracts in excess of the simplified acquisition threshold (referred to in section 2304(g) of this title); or

''(B) in a position in an executive agency either as an employee in the GS–1102 occupational series or as a member of the armed forces in a similar occupational specialty.

''(3) For the exception in subparagraph (A) or (B) of paragraph (2) to apply to an employee with respect to the requirements imposed under subsection (a) or (b), the employee must—

''(A) before October 1, 2000—

''(i) have received a baccalaureate degree as described in subparagraph (A) of subsection (a)(3);

''(ii) have completed credits of study as described in subparagraph (B) of subsection (a)(3);

''(iii) have passed an examination considered by the Secretary of Defense to demonstrate skills, knowledge, or abilities comparable to that of a person who has completed credits of study as described in subparagraph (B) of subsection (a)(3); or

''(iv) have been granted a waiver of the applicability of the requirements imposed under subsection (a) or (b), as the case may be; or

''(B) on October 1, 1991, had at least 10 years of experience in one or more acquisition positions in the Department of Defense, comparable positions in other government agencies or the private sector, or similar positions in which an individual obtains experience directly relevant to the field of contracting.''.

(c) CLARIFICATION OF APPLICABILITY OF WAIVER AUTHORITY TO MEMBERS OF THE ARMED FORCES.—Subsection (d) of such section is amended by striking ''employee or member of'' in the first sentence and inserting ''employee of, or a member of an armed force in,''.

(d) OFFICE OF PERSONNEL MANAGEMENT APPROVAL OF GENERALLY APPLICABLE DISCRETIONARY REQUIREMENTS.—Section 1725 of title 10, United States Code, is amended—

(1) in subsection (a), by striking ''section 1723 or under section 1724(a)(4) of this title'' in the first sentence and inserting ''section 1723, 1724(a)(4), or 1724a(b)(2)''; and

(2) in subsection (b), by striking ''subsection (a)(3) or (b) of section 1724 of this title'' in the first sentence and inserting ''subsection (a)(3), (b), or (c)(3)(A)(iii) of section 1724 of this title or under subparagraph (B) or (C) of section 1724a(b)(1) of this title''.

(e) TECHNICAL CORRECTIONS.—Sections 1724(a)(3)(B) and 1732(c)(2) of such title are amended by striking ''business finance'' and inserting ''business, finance''.

Subtitle C—Use of Preferred Sources

SEC. 821. APPLICABILITY OF COMPETITION REQUIREMENTS TO PURCHASES FROM A REQUIRED SOURCE.

(a) CONDITIONS FOR COMPETITION.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following:

''§ 2410n. Products of Federal Prison Industries: procedural requirements

''(a) MARKET RESEARCH BEFORE PURCHASE.—Before purchasing a product listed in the latest edition of the Federal Prison Industries catalog under section 4124(d) of title 18, the Secretary of Defense shall conduct market research to determine whether the Federal Prison Industries product is comparable in price, quality, and time of delivery to products available from the private sector.

''(b) LIMITED COMPETITION REQUIREMENT.—If the Secretary determines that a Federal Prison Industries product is not comparable in price, quality, and time of delivery to products available from the private sector, the Secretary shall use competitive procedures for the procurement of the product. In conducting such a competition, the Secretary shall consider a timely offer from Federal Prison Industries for award in accordance with the specifications and evaluation factors specified in the solicitation.

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

''2410n. Products of Federal Prison Industries: procedural requirements.''.

(b) APPLICABILITY.—Section 2410n of title 10, United States Code (as added by subsection (a)), shall apply to purchases initiated on or after October 1, 2001.

SEC. 822. CONSOLIDATION OF CONTRACT REQUIREMENTS.

(a) AMENDMENT TO TITLE 10.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2381 the following new section:

''§ 2382. Consolidation of contract requirements: policy and restrictions

''(a) POLICY.—The Secretary of Defense shall require the Secretary of each military department, the head of each Defense Agency, and the head of each Department of Defense Field Activity to ensure that the decisions made by that official regarding consolidation of contract requirements of the department, agency, or activity as the case may be, are made with a view to providing small business concerns with appropriate opportunities to participate in Department of Defense procurements as prime contractors and appropriate opportunities to participate in such procurements as subcontractors.

''(b) LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.—(1) An official of a military department, Defense Agency, or Department of Defense Field Activity may not execute an acquisition strategy that includes a consolidation of contract requirements of the military department, agency, or activity with a total value in excess of $5,000,000, unless the senior procurement executive concerned first—

''(A) conducts market research;

''(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements; and

''(C) determines that the consolidation is necessary and justified.

''(2) A senior procurement executive may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1) if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approaches identified under subparagraph (B) of that paragraph. However, savings in administrative or personnel costs alone do not constitute, for such purposes, a sufficient justification for a consolidation of contract requirements in a procurement unless the total amount of the cost savings is expected to be substantial in relation to the total cost of the procurement.

''(3) Benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

''(A) quality;

''(B) acquisition cycle;

''(C) terms and conditions; and

''(D) any other benefit.

''(c) DEFINITIONS.—In this section:

''(1) The terms 'consolidation of contract requirements' and 'consolidation', with respect to contract requirements of a military department, Defense Agency, or Department of Defense Field Activity, mean a use of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy two or more requirements of that department, agency, or activity for goods or services that have previously been provided to, or performed for, that department, agency, or activity under two or more separate contracts smaller in cost than the total cost of the contract for which the offers are solicited.

''(2) The term ''multiple award contract'' means—

''(A) a contract that is entered into by the Administrator of General Services under the multiple award schedule program referred to in section 2302(2)(C) of this title;

''(B) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 2304a through 2304d of this title or sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

''(C) any other indeterminate delivery, indeterminate quantity contract that is entered into by the head of a Federal agency with two or more sources pursuant to the same solicitation.

''(3) The term 'senior procurement executive concerned' means—

''(A) with respect to a military department, the official designated under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)) as the senior procurement executive for the military department; or

''(B) with respect to a Defense Agency or a Department of Defense Field Activity, the official so designated for the Department of Defense.

''(4) The term 'small business concern' means a business concern that is determined by the Administrator of the Small Business Administration to be a small-business concern by application of the standards prescribed under section 3(a) of the Small Business Act (15 U.S.C. 632(a)).''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2381 the following new item:

''2382. Consolidation of contract requirements: policy and restrictions.''.

(b) DATA REVIEW.—(1) The Secretary of Defense shall revise the data collection systems of the Department of Defense to ensure that such systems are capable of identifying each procurement that involves a consolidation of contract requirements within the department with a total value in excess of $5,000,000.

(2) The Secretary shall ensure that appropriate officials of the Department of Defense periodically review the information collected pursuant to paragraph (1) in cooperation with the Small Business Administration—

(A) to determine the extent of the consolidation of contract requirements in the Department of Defense; and

(B) to assess the impact of the consolidation of contract requirements on the availability of opportunities for small business concerns to participate in Department of Defense procurements, both as prime contractors and as subcontractors.

(3) In this subsection:

(A) The term ''bundling of contract requirements'' has the meaning given that term in section 3(o)(2) of the Small Business Act (15 U.S.C. 632(o)(2)).

(B) The term ''consolidation of contract requirements'' has the meaning given that term in section 2382(c)(1) of title 10, United States Code, as added by subsection (a).

(c) EVALUATION OF BUNDLING EFFECTS.—Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended—

(1) in subparagraph (C), by inserting '', and whether contract bundling played a role in the failure,'' after ''agency goals''; and

(2) by adding at the end the following:

''(G) The number and dollar value of consolidations of contract requirements with a total value in excess of $5,000,000, including the number of such consolidations that were awarded to small business concerns as prime contractors.''.

(d) REPORTING REQUIREMENT.—Section 15(p) of the Small Business Act (15 U.S.C. 644(p)) is amended to read as follows:

''(p) REPORTING REQUIREMENT.—

''(1) IN GENERAL.—The Administrator shall conduct a study examining the best means to determine the accuracy of the market research required under subsection (e)(2) for each bundled contract, to determine if the anticipated benefits were realized, or if they were not realized, the reasons there for.

''(2) PROVISION OF INFORMATION.—A Federal agency shall provide to the appropriate procurement center representative a copy of market research required under subsection (e)(2) for consolidations of contract requirements with a total value in excess of $5,000,000, upon request.

''(3) REPORT.—Not later than 270 days after the date of enactment of the National Defense Authorization Act for Fiscal Year 2002, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on the results of the study conducted under this subsection.''.

SEC. 823. CODIFICATION AND CONTINUATION OF MENTOR-PROTEGE PROGRAM AS PERMANENT PROGRAM.

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2402 the following new section:

''§ 2403. Mentor-Protege Program

''(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall carry out a program known as the 'Mentor-Protege Program'.

''(b) PURPOSE.—The purpose of the program is to provide incentives for major Department of Defense contractors to furnish eligible small business concerns (as defined in subsection (l)(2)) with assistance designed to enhance the capabilities of eligible small business concerns to perform as subcontractors and suppliers under Department of Defense contracts and other contracts and subcontracts in order to increase the participation of such business concerns as subcontractors and suppliers under Department of Defense contracts, other Federal Government contracts, and commercial contracts.

''(c) PROGRAM PARTICIPANTS.—(1) A business concern meeting the eligibility requirements set out in subsection (d) may enter into agreements under subsection (e) and furnish assistance to eligible small business concerns upon making application to the Secretary of Defense and being approved for participation in the program by the Secretary. A business concern participating in the program pursuant to such an approval shall be known, for the purposes of the program, as a 'mentor firm'.

''(2) An eligible small business concern may obtain assistance from a mentor firm upon entering into an agreement with the mentor firm as provided in subsection (e). An eligible small business concern may not be a party to more than one agreement to receive such assistance at any time. An eligible small business concern receiving such assistance shall be known, for the purposes of the program, as a 'protege firm'.

''(3) In entering into an agreement pursuant to subsection (e), a mentor firm may rely in good faith on a written representation of a business concern that such business concern is a small business concern described in subsection (l)(2)(A). The Administrator of the Small Business Administration shall determine the status of such business concern as such a small business concern in the event of a protest regarding the status of the business concern. If at any time the business concern is determined by the Administrator not to be such a small business concern, assistance furnished to the business concern by the mentor firm after the date of the determination may not be considered assistance furnished under the program.

''(d) MENTOR FIRM ELIGIBILITY.—Subject to subsection (c)(1), a mentor firm eligible for award of Federal contracts may enter into an agreement with one or more protege firms under subsection (e) and provide assistance under the program pursuant to that agreement if—

''(1) during the fiscal year preceding the fiscal year in which the mentor firm enters into the agreement, the total amount of the Department of Defense contracts awarded such mentor firm and the subcontracts awarded such mentor firm under Department of Defense contracts was equal to or greater than $100,000,000; or

''(2) the mentor firm demonstrates the capability to assist in the development of protege firms, and is approved by the Secretary of Defense pursuant to criteria specified in the regulations prescribed pursuant to subsection (k).

''(e) MENTOR-PROTEGE AGREEMENT.—Before providing assistance to a protege firm under the program, a mentor firm shall enter into a mentor-protege agreement with the protege firm regarding the assistance to be provided by the mentor firm. The agreement shall include the following:

''(1) A developmental program for the protege firm, in such detail as may be reasonable, including—

''(A) factors to assess the protege firm's developmental progress under the program; and

''(B) the anticipated number and type of subcontracts to be awarded the protege firm.

''(2) A program participation term for any period of not more than three years, except that the term may be a period of up to five years if the Secretary of Defense determines in writing that unusual circumstances justify a program participation term in excess of three years.

''(3) Procedures for the protege firm to terminate the agreement voluntarily and for the mentor firm to terminate the agreement for cause.

''(f) FORMS OF ASSISTANCE.—A mentor firm may provide a protege firm the following:

''(1) Assistance, by using mentor firm personnel, in—

''(A) general business management, including organizational management, financial management, and personnel management, marketing, business development, and overall business planning;

''(B) engineering and technical matters such as production, inventory control, and quality assurance; and

''(C) any other assistance designed to develop the capabilities of the protege firm under the developmental program referred to in subsection (e).

''(2) Award of subcontracts on a noncompetitive basis to the protege firm under the Department of Defense or other contracts.

''(3) Payment of progress payments for performance of the protege firm under such a subcontract in amounts as provided for in the subcontract, but in no event may any such progress payment exceed 100 percent of the costs incurred by the protege firm for the performance.

''(4) Advance payments under such subcontracts.

''(5) Loans.

''(6) Cash in exchange for an ownership interest in the protege firm, not to exceed 10 percent of the total ownership interest.

''(7) Assistance obtained by the mentor firm for the protege firm from one or more of the following:

''(A) Small business development centers established pursuant to section 21 of the Small Business Act (15 U.S.C. 648).

''(B) Entities providing procurement technical assistance pursuant to chapter 142 of this title.

''(C) A historically Black college or university or a minority institution of higher education.

''(g) INCENTIVES FOR MENTOR FIRMS.—(1) The Secretary of Defense may provide to a mentor firm reimbursement for the total amount of any progress payment or advance payment made under the program by the mentor firm to a protege firm in connection with a Department of Defense contract awarded the mentor firm.

''(2)(A) The Secretary of Defense may provide to a mentor firm reimbursement for the costs of the assistance furnished to a protege firm pursuant to paragraphs (1) and (7) of subsection (f) as provided for in a line item in a Department of Defense contract under which the mentor firm is furnishing products or services to the Department, subject to a maximum amount of reimbursement specified in such contract. The preceding sentence does not apply in a case in which the Secretary of Defense determines in writing that unusual circumstances justify reimbursement using a separate contract.

''(B) The determinations made in annual performance reviews of a mentor firm's mentor-protege agreement under subsection (j)(2) shall be a major factor in the determinations of amounts of reimbursement, if any, that the mentor firm is eligible to receive in the remaining years of the program participation term under the agreement.

''(C) The total amount reimbursed under this paragraph to a mentor firm for costs of assistance furnished in a fiscal year to a protege firm may not exceed $1,000,000, except in a case in which the Secretary of Defense determines in writing that unusual circumstances justify a reimbursement of a higher amount.

''(3)(A) Costs incurred by a mentor firm in providing assistance to a protege firm that are not reimbursed pursuant to paragraph (2) shall be recognized as credit in lieu of subcontract awards for purposes of determining whether the mentor firm attains a subcontracting participation goal applicable to such mentor firm under a Department of Defense contract, under a contract with another executive agency, or under a divisional or company-wide subcontracting plan negotiated with the Department of Defense or another executive agency.

''(B) The amount of the credit given a mentor firm for any such unreimbursed costs shall be equal to—

''(i) four times the total amount of such costs attributable to assistance provided by entities described in subsection (f)(7);

''(ii) three times the total amount of such costs attributable to assistance furnished by the mentor firm's employees; and

''(iii) two times the total amount of any other such costs.

''(C) Under regulations prescribed pursuant to subsection (k), the Secretary of Defense shall adjust the amount of credit given a mentor firm pursuant to subparagraphs (A) and (B) if the Secretary determines that the firm's performance regarding the award of subcontracts to eligible small business concerns has declined without justifiable cause.

''(4) A mentor firm shall receive credit toward the attainment of a subcontracting participation goal applicable to such mentor firm for each subcontract for a product or service awarded under such contract by a mentor firm to a business concern that, except for its size, would be a small business concern owned and controlled by socially and economically disadvantaged individuals, but only if—

''(A) the size of such business concern is not more than two times the maximum size specified by the Administrator of the Small Business Administration for purposes of determining whether a business concern furnishing such product or service is a small business concern; and

''(B) the business concern formerly had a mentor-protege agreement with such mentor firm that was not terminated for cause.

''(h) RELATIONSHIP TO SMALL BUSINESS ACT.—(1) For purposes of the Small Business

Act, no determination of affiliation or control (either direct or indirect) may be found between a protege firm and its mentor firm on the basis that the mentor firm has agreed to furnish (or has furnished) to its protege firm pursuant to a mentor-protege agreement any form of developmental assistance described in subsection (f).

''(2) Notwithstanding section 8 of the Small Business Act (15 U.S.C. 637), the Small Business Administration may not determine an eligible small business concern to be ineligible to receive any assistance authorized under the Small Business Act on the basis that such business concern has participated in the Mentor-Protege Program or has received assistance pursuant to any developmental assistance agreement authorized under such program.

''(3) The Small Business Administration may not require a firm that is entering into, or has entered into, an agreement under subsection (e) as a protege firm to submit the agreement, or any other document required by the Secretary of Defense in the administration of the Mentor-Protege Program, to the Small Business Administration for review, approval, or any other purpose.

''(i) PARTICIPATION IN MENTOR-PROTEGE PROGRAM NOT TO BE A CONDITION FOR AWARD OF A CONTRACT OR SUBCONTRACT.—A mentor firm may not require a business concern to enter into an agreement with the mentor firm pursuant to subsection (e) as a condition for being awarded a contract by the mentor firm, including a subcontract under a contract awarded to the mentor firm.

''(j) REPORTS AND REVIEWS.—(1) The mentor firm and protege firm under a mentor-protege agreement shall submit to the Secretary of Defense an annual report on the progress made by the protege firm in employment, revenues, and participation in Department of Defense contracts during the fiscal year covered by the report. The requirement for submission of an annual report applies with respect to each fiscal year covered by the program participation term under the agreement and each of the two fiscal years following the expiration of the program participation term. The Secretary shall prescribe the timing and form of the annual report.

''(2)(A) The Secretary shall conduct an annual performance review of each mentor-protege agreement that provides for reimbursement of costs. The Secretary shall determine on the basis of the review whether—

''(i) all costs reimbursed to the mentor firm under the agreement were reasonably incurred to furnish assistance to the protege firm in accordance with the requirements of this section and applicable regulations; and

''(ii) the mentor firm and protege firm accurately reported progress made by the protege firm in employment, revenues, and participation in Department of Defense contracts during the program participation term covered by the mentor-protege agreement and the two fiscal years following the expiration of the program participation term.

''(B) The Secretary shall act through the Commander of the Defense Contract Management Command in carrying out the reviews and making the determinations under subparagraph (A).

''(k) REGULATIONS AND POLICIES.—(1) The Secretary of Defense shall prescribe regulations to carry out the Mentor-Protege Program. The regulations shall include the following:

''(A) The requirements set forth in section 8(d) of the Small Business Act (15 U.S.C. 673(d)).

''(B) Procedures by which mentor firms may terminate participation in the program.

''(2) The Department of Defense policy regarding the Mentor-Protege Program shall be published and maintained as an appendix to the Department of Defense Supplement to the Federal Acquisition Regulation.

''(l) DEFINITIONS.—In this section:

''(1) The term 'small business concern' means a business concern that meets the requirements of section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and the regulations promulgated pursuant thereto.

''(2) The term 'eligible small business concern' is a small business concern that—

''(A) is either—

''(i) a disadvantaged small business concern; or

''(ii) a small business concern owned and controlled by women; and

''(B) is eligible for the award of Federal contracts.

''(3) The term 'disadvantaged small business concern' means—

''(A) a small business concern owned and controlled by socially and economically disadvantaged individuals, as defined in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C));

''(B) a business entity owned and controlled by an Indian tribe as defined by section 8(a)(13) of the Small Business Act (15 U.S.C. 637(a)(13));

''(C) a business entity owned and controlled by a Native Hawaiian Organization as defined by section 8(a)(15) of the Small Business Act (15 U.S.C. 637(a)(15)); or

''(D) a qualified organization employing the severely disabled.

''(4) The term 'small business concern owned and controlled by women' has the meaning given such term in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).

''(5) The term 'historically Black college and university' means any of the historically Black colleges and universities referred to in section 2323 of this title.

''(6) The term 'minority institution of higher education' means an institution of higher education with a student body that reflects the composition specified in paragraphs (3), (4), and (5) of section 312(b) of the Higher Education Act of 1965 (20 U.S.C. 1058(b)), as in effect on September 30, 1992.

''(7) The term 'subcontracting participation goal', with respect to a Department of Defense contract, means a goal for the extent of the participation by eligible small business concerns in the subcontracts awarded under such contract, as established pursuant to section 2323 of this title and section 8(d) of the Small Business Act (15 U.S.C. 637(d)).

''(8) The term 'qualified organization employing the severely disabled' means a business entity operated on a for-profit or nonprofit basis that—

''(A) uses rehabilitative engineering to provide employment opportunities for severely disabled individuals and integrates severely disabled individuals into its workforce;

''(B) employs severely disabled individuals at a rate that averages not less than 20 percent of its total workforce;

''(C) employs each severely disabled individual in its workforce generally on the basis of 40 hours per week; and

''(D) pays not less than the minimum wage prescribed pursuant to section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) to those employees who are severely disabled individuals.

''(9) The term 'severely disabled individual' means an individual who has a physical or mental disability which constitutes a substantial handicap to employment and which, in accordance with criteria prescribed by the Committee for Purchase From People Who Are Blind or Severely Disabled established by the first section of the Javits-Wagner-O'Day Act (41 U.S.C. 46), is of such a nature that the individual is otherwise prevented from engaging in normal competitive employment.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2402 the following new item:

''2403. Mentor-Protege Program.''.

(b) REPEAL OF SUPERSEDED LAW.—Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2302 note) is repealed.

(c) CONTINUATION OF TEMPORARY REPORTING REQUIREMENT.—(1) Not later than six months after the end of each of fiscal years 2001 through 2004, the Secretary of Defense shall submit to Congress an annual report on the Mentor-Protege Program for that fiscal year.

(2) The annual report for a fiscal year shall include, at a minimum, the following:

(A) The number of mentor-protege agreements that were entered into during the fiscal year.

(B) The number of mentor-protege agreements that were in effect during the fiscal year.

(C) The total amount reimbursed during the fiscal year to mentor firms pursuant to section 2403(g) of title 10, United States Code (as added by subsection (a)), or section 831(g) of the National Defense Authorization Act for fiscal year 1991 (as in effect on the day before the date of the enactment of this Act).

(D) Each mentor-protege agreement, if any, that was approved during the fiscal year in accordance with section 2403(e)(2) of title 10, United States Code (as added by subsection (a)), or section 831(e)(2) of the National Defense Authorization Act for Fiscal Year 1991 (as in effect on the day before the date of the enactment of this Act) to provide a program participation term in excess of three years, together with the justification for the approval.

(E) Each reimbursement of a mentor firm in excess of the limitation in subsection (g)(2)(C) of section 2403 of title 10, United States Code (as added by subsection (a)), or subsection (g)(2)(C) of section 831 of the National Defense Authorization Act for Fiscal Year 1991 (as in effect on the day before the date of the enactment of this Act) that was made during the fiscal year pursuant to an approval granted in accordance with that subsection, together with the justification for the approval.

(F) Trends in the progress made in employment, revenues, and participation in Department of Defense contracts by the protege firms participating in the program during the fiscal year and the protege firms that completed or otherwise terminated participation in the program during the preceding two fiscal years.

(d) CONTINUATION OF REQUIREMENT FOR GAO STUDY AND REPORT.—Nothing in this section shall be construed as modifying the requirements of section 811(d)(3) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 709).

(e) SAVINGS PROVISIONS.—(1) All orders, determinations, rules, regulations, contracts, privileges, and other administrative actions that—

(A) have been issued, made, granted, or allowed to become effective under the pilot Mentor-Protege Program under section 831 of the National Defense Authorization Act for Fiscal Year 1991, as in effect on the day before the date of the enactment of this Act, including any such action taken by a court of competent jurisdiction, and

(B) are in effect at the end of such day, or were final before the date of the enactment of this Act and are to become effective on or after that date,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the Secretary of Defense or a court of competent jurisdiction or by operation of law.

(2) This section and the amendments made by this section shall not affect any proceedings, including notices of proposed rulemaking, that are pending before the Department of Defense as of the date of the enactment of this Act, with respect to the administration of the pilot Mentor-Protege Program under section 831 of the National Defense Authorization Act for Fiscal Year 1991, as in effect on the day before that date, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this section shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) The amendment made by subsection (a)(1), and the repeal of section 831 of the National Defense Authorization Act for Fiscal Year 1991 by subsection (b), shall not be construed as modifying or otherwise affecting the requirement in section 811(f)(2) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 709).

SEC. 824. HUBZONE SMALL BUSINESS CONCERNS.

Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively; and

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

''(4) RULE OF CONSTRUCTION RELATING TO CITIZENSHIP.—

''(A) IN GENERAL.—A small business concern described in subparagraph (B) meets the United States citizenship requirement of paragraph (3)(A) if, at the time of application by the concern to become a qualified HUBZone small business concern for purposes of any contract and at such times as the Administrator shall require, no non-citizen has filed a disclosure under section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)) as the beneficial owner of more than 10 percent of the outstanding shares of that small business concern.

''(B) CONCERNS DESCRIBED.—A small business concern is described in this subparagraph if the small business concern—

''(i) has a class of securities registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l); and

''(ii) files reports with the Securities and Exchange Commission as a small business issuer.''.

''(C) NON-CITIZENS.—In this paragraph, the term 'non-citizen' means

''(i) an individual that is not a United States citizen; and

''(ii) any other person that is not organized under the laws of any State or the United States.''.

Subtitle D—Amendments to General Contracting Authorities, Procedures, and Related Matters

SEC. 831. AMENDMENTS TO CONFORM WITH ADMINISTRATIVE CHANGES IN ACQUISITION PHASE AND MILESTONE TERMINOLOGY AND TO MAKE RELATED ADJUSTMENTS IN CERTAIN REQUIREMENTS APPLICABLE AT MILESTONE TRANSITION POINTS.

(a) ACQUISITION PHASE TERMINOLOGY.—The following provisions of title 10, United States Code, are amended by striking ''engineering and manufacturing development'' each place it appears and inserting ''system development and demonstration'': sections 2366(c) and 2434(a), and subsections (b)(3)(A)(i), (c)(3)(A), and (h)(1) of section 2432.

(b) MILESTONE TRANSITION POINTS.—(1) Section 811(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–211), is amended by striking ''Milestone I approval, Milestone II approval, or Milestone III approval (or the equivalent) of a major automated information system'' and inserting ''approval of a major automated information system at Milestone B or C or for full rate production, or an equivalent approval,''.

(2) Department of Defense Directive 5000.1, as revised in accordance with subsection (b) of section 811 of such Act, shall be further revised as necessary to comply with subsection (c) of such section, as amended by paragraph (1), within 60 days after the date of the enactment of this Act.

(c) ADJUSTMENTS TO REQUIREMENT FOR DETERMINATION OF QUANTITY FOR LOW-RATE INITIAL PRODUCTION.—Section 2400(a) of title 10, United States Code, is amended—

(1) by striking ''milestone II'' each place it appears in paragraphs (1)(A), (2), (4) and (5) and inserting ''milestone B''; and

(2) in paragraph (2), by striking ''engineering and manufacturing development'' and inserting ''system development and demonstration''.

(d) ADJUSTMENTS TO REQUIREMENTS FOR BASELINE DESCRIPTION AND THE RELATED LIMITATION.—Section 2435 of title 10, United States Code, is amended—

(1) in subsection (b), by striking ''engineering and manufacturing development'' and inserting ''system development and demonstration''; and

(2) in subsection (c)—

(A) in paragraph (1), by striking ''demonstration and validation'' and inserting ''system development and demonstration'';

(B) in paragraph (2), by striking ''engineering and manufacturing development'' and inserting ''production and deployment''; and

(C) in paragraph (3), by striking ''production and deployment'' and inserting ''full rate production''.

SEC. 832. INAPPLICABILITY OF LIMITATION TO SMALL PURCHASES OF MINIATURE OR INSTRUMENT BALL OR ROLLER BEARINGS UNDER CERTAIN CIRCUMSTANCES.

Section 2534(g)(2) of title 10, United States Code, is amended—

(1) by striking ''contracts'' and inserting ''a contract'';

(2) by striking the period at the end and inserting ''unless the head of the contracting activity determines that—''; and

(3) by adding at the end the following:

''(A) the amount of the purchase does not exceed $25,000;

''(B) the precision level of the ball or roller bearings to be procured under the contract is rated lower than the rating known as Annual Bearing Engineering Committee (ABEC) 5 or Roller Bearing Engineering Committee (RBEC) 5, or an equivalent of such rating;

''(C) at least two manufacturers in the national technology and industrial base that are capable of producing the ball or roller bearings have not responded to a request for quotation issued by the contracting activity for that contract; and

''(D) no bearing to be procured under the contract has a basic outside diameter (exclusive of flange diameters) in excess of 30 millimeters.''.

SEC. 833. INSENSITIVE MUNITIONS PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2404 the following new section 2405:

''§ 2405. Insensitive munitions program

''(a) REQUIREMENT FOR PROGRAM.—The Secretary of Defense shall carry out a program to ensure, to the extent practicable, that munitions under development or in procurement are safe throughout development and fielding when subjected to unplanned stimuli.

''(b) CONTENT OF PROGRAM.—The program shall include safety criteria, safety procedures, and requirements to conform to those criteria and procedures.

''(c) REPORTING REQUIREMENT.—At the same time that the budget for a fiscal year is submitted to Congress under section 1105(a) of title 31, the Secretary shall submit to Congress a report on the insensitive munitions program. The report shall include the following matters:

''(1) The waivers of requirements referred to in subsection (b) that have been granted under the program during the fiscal year preceding fiscal year in which the report is submitted, together with a discussion of the justifications for the waivers.

''(2) Identification of the funding proposed for the program in that budget, together with an explanation of the proposed funding.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2404 the following new item:

''2405. Insensitive munitions program.''.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Organization and Management

SEC. 901. DEPUTY UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS.

(a) ESTABLISHMENT OF POSITION.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 136 the following new section:

''§ 136a. Deputy Under Secretary of Defense for Personnel and Readiness

''(a) There is a Deputy Under Secretary of Defense for Personnel and Readiness, appointed from civilian life by the President, by and with the advice and consent of the Senate.

''(b) The Deputy Under Secretary of Defense for Personnel and Readiness shall assist the Under Secretary of Defense for Personnel and Readiness in the performance of the duties of that position. The Deputy Under Secretary of Defense for Personnel and Readiness shall act for, and exercise the powers of, the Under Secretary when the Under Secretary is absent or disabled.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 136 the following new item:

''136a. Deputy Under Secretary of Defense for Personnel and Readiness.''.

(b) EXECUTIVE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by inserting after ''Deputy Under Secretary of Defense for Policy.'' the following:

''Deputy Under Secretary of Defense for Personnel and Readiness.''.

(c) REDUCTION IN NUMBER OF ASSISTANT SECRETARIES OF DEFENSE.—(1) Section 138(a) of title 10, United States Code, is amended by striking ''nine'' and inserting ''eight''.

(2) Section 5315 of title 5, United States Code, is amended by striking ''Assistant Secretaries of Defense (9).'' and inserting the following:

''Assistant Secretaries of Defense (8).''.

SEC. 902. RESPONSIBILITY OF UNDER SECRETARY OF THE AIR FORCE FOR ACQUISITION OF SPACE LAUNCH VEHICLES AND SERVICES.

Section 8015(b) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

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

''(2) The Under Secretary shall be responsible for planning and contracting for, and for managing, the acquisition of space launch vehicles and space launch services for the Department of Defense and the National Reconnaissance Office.''.

SEC. 903. SENSE OF CONGRESS REGARDING THE SELECTION OF OFFICERS FOR ASSIGNMENT AS THE COMMANDER IN CHIEF, UNITED STATES TRANSPORTATION COMMAND.

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

(1) The Goldwater-Nichols Department of Defense Reorganization Act of 1986 envisioned that an officer would be assigned to serve as the commander of a combatant command on the basis of being the best qualified officer for the assignment rather than the best qualified officer of the armed force that has historically supplied an officer to serve in that assignment.

(2) In order to provide for greater competition among the Armed Forces for selection of officers for assignment as the commanders of the combatant commands and assignment to certain other joint positions in the grade of general or admiral, Congress provided temporary relief from the limitation on the number of officers serving on active duty in the grade of general or admiral in section 405 of the National Defense Authorization Act for Fiscal Year 1995 and thereafter extended that relief until September 30, 2003, but has also required that the Secretary of Defense be furnished the name of at least one officer from each of the Armed Forces for consideration for appointment to each such position.

(3) Most of the positions of commanders of the combatant commands have been filled successively by officers of more than one of the Armed Forces since the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986.

(4) However, general officers of the Air Force with only limited experience in the transportation services have usually filled the position of Commander in Chief of the United States Transportation Command.

(5) The United States Transportation Command and its component commands could benefit from the appointment of an officer selected from the two armed forces that are the primary users of their transportation resources, namely the Army and the Marine Corps.

(b) SENSE OF CONGRESS.— In light of the findings set forth in subsection (a), it is the sense of Congress that the Secretary of Defense should, when considering officers for recommendation to the President for appointment as the Commander in Chief, United States Transportation Command, give careful consideration to recommending an officer of the Army or the Marine Corps.

SEC. 904. ORGANIZATIONAL REALIGNMENT FOR NAVY DIRECTOR FOR EXPEDITIONARY WARFARE.

Section 5038(a) of title 10, United States Code, is amended by striking ''Office of the Deputy Chief of Naval Operations for Resources, Warfare Requirements, and Assessments'' and inserting ''Office of the Deputy Chief of Naval Operations for Warfare Requirements and Programs''.

SEC. 905. REVISED REQUIREMENTS FOR CONTENT OF ANNUAL REPORT ON JOINT WARFIGHTING EXPERIMENTATION.

Section 485(b) of title 10, United States Code, is amended—

(1) by inserting before the period at the end of paragraph (1) the following: '', together with a specific assessment of whether there is a need for a major force program for funding joint warfighting experimentation and for funding the development and acquisition of any technology the value of which has been empirically demonstrated through such experimentation''; and

(2) in paragraph (4)(E)—

(A) by inserting ''(by lease or by purchase)'' after ''acquire''; and

(B) by inserting ''(including any prototype)'' after ''or equipment''.

SEC. 906. SUSPENSION OF REORGANIZATION OF ENGINEERING AND TECHNICAL AUTHORITY POLICY WITHIN THE NAVAL SEA SYSTEMS COMMAND.

(a) SUSPENSION.—During the period specified in subsection (b), the Secretary of the Navy may not commence or continue any change in engineering or technical authority policy for the Naval Sea Systems Command or its subsidiary activities.

(b) DURATION.—Subsection (a) applies during the period beginning on the date of enactment of this Act and ending 60 days after the date on which the Secretary submits to the congressional defense committees a report that sets forth in detail the Navy's plans and justification for the reorganization of engineering and technical authority policy within the Naval Sea Systems Command.

SEC. 907. CONFORMING AMENDMENTS RELATING TO CHANGE OF NAME OF AIR MOBILITY COMMAND.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended—

(1) by striking ''Military Airlift Command'' in sections 2554(d) and 2555(a) and inserting ''Air Mobility Command''; and

(2) in section 8074, by striking subsection (c).

(b) TITLE 37, UNITED STATES CODE.—Sections 430(c) and 432(b) of title 37, United States Code, are amended by striking ''Military Airlift Command'' and inserting ''Air Mobility Command''.

Subtitle B—Organization and Management of Space Activities

SEC. 911. ESTABLISHMENT OF POSITION OF UNDER SECRETARY OF DEFENSE FOR SPACE, INTELLIGENCE, AND INFORMATION.

(a) AUTHORITY OF SECRETARY OF DEFENSE TO ESTABLISH POSITION.—Upon the direction of the President, the Secretary of Defense may, subject to subsection (b), establish in the Office of the Secretary of Defense the position of Under Secretary of Defense for Space, Intelligence, and Information. If the position is so established, the Under Secretary of Defense for Space, Intelligence, and Information shall perform duties and exercise powers as set forth under section 137 of title 10, United States Code, as amended by subsection (d).

(b) DEADLINE FOR EXERCISE OF AUTHORITY.—The Secretary may not exercise the authority in subsection (a) after December 31, 2003.

(c) NOTICE OF EXERCISE OF AUTHORITY.—If the authority in subsection (a) is exercised, the Secretary shall immediately notify Congress of the establishment of the position of Under Secretary of Defense for Space, Intelligence, and Information, together with the date on which the position is established.

(d) NATURE OF POSITION.—

(1) IN GENERAL.—Effective as of the date provided for in paragraph (7), chapter 4 of title 10, United States Code, is amended—

(A) by redesignating section 137 as section 139a and by transferring such section (as so redesignated) within such chapter so as to appear after section 139; and

(B) by inserting after section 136 the following new section 137:

''§ 137. Under Secretary of Defense for Space, Intelligence, and Information

''(a) There is an Under Secretary of Defense for Space, Intelligence, and Information, 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 Space, Intelligence, and Information shall perform such duties and exercise such powers relating to the space, intelligence, and information programs and activities of the Department of Defense as the Secretary of Defense may prescribe. The duties and powers prescribed for the Under Secretary shall include the following:

''(1) In coordination with the Under Secretary of Defense for Policy, the establishment of policy on space.

''(2) In coordination with the Under Secretary of Defense for Acquisition, Technology, and Logistics, the acquisition of space systems.

''(3) The deployment and use of space assets.

''(4) The oversight of research, development, acquisition, launch, and operation of space, intelligence, and information assets.

''(5) The coordination of military intelligence activities within the Department.

''(6) The coordination of intelligence activities of the Department and the intelligence community in order to meet the long-term intelligence requirements of the United States.

''(7) The coordination of space activities of the Department with commercial and civilian space activities.

''(c) The Secretary of Defense shall designate the Under Secretary of Defense for Space, Intelligence, and Information as the Chief Information Officer of the Department of Defense under section 3506(a)(2)(B) of title 44.

''(d) The Under Secretary of Defense for Space, Intelligence, and Information takes precedence in the Department of Defense after the Under Secretary of Defense for Personnel and Readiness.''.

(2) ADDITIONAL ASSISTANT SECRETARY OF DEFENSE.—Section 138(a) of that title is amended by striking ''nine Assistant Secretaries of Defense'' and inserting ''ten Assistant Secretaries of Defense''.

(3) DUTIES OF ASSISTANT SECRETARIES OF DEFENSE FOR SPACE, INTELLIGENCE, AND INFORMATION.—Section 138(b) of that title is amended by adding at the end the following new paragraph:

''(7) Two of the Assistant Secretaries shall have as their principal duties supervision of activities relating to space, intelligence, and information. The Assistant Secretaries shall each report to the Under Secretary of Defense for Space, Intelligence, and Information in the performance of such duties.''.

(4) CONFORMING AMENDMENTS.—Section 131(b) of that title is amended—

(A) by redesignating paragraphs (6) through (11) as paragraphs (7) through (12), respectively; and

(B) by inserting after paragraph (5) the following new paragraph (6):

''(6) The Under Secretary of Defense for Space, Intelligence, and Information.''.

(5) PAY LEVELS.—(A) 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 Space, Intelligence, and Information.''.

(B) Section 5315 of title 5, United States Code, is amended in the item relating to Assistant Secretaries of Defense by striking ''(9)'' and inserting ''(10)''.

(6) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 4 of title 10, United States Code, is amended—

(A) by striking the item relating to section 137 and inserting the following new item:

''137. Under Secretary of Defense for Space, Intelligence, and Information.''; and

(B) by inserting after the item relating to section 139 the following new item:

''139a. Director of Defense Research and Engineering.''.

(7) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as of the date specified in the notification provided by the Secretary of Defense to Congress under subsection (c) of the exercise of the authority in subsection (a).

(e) REPORT.—(1) Not later than 30 days before an exercise of the authority provided in subsection (a), the President shall submit to Congress a report on the proposed organization of the office of the Under Secretary of Defense for Space, Intelligence, and Information.

(2) If the Secretary of Defense has not exercised the authority granted in subsection (a) on the date that is one year after the date of the enactment of this Act, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives on that date a report describing the actions taken by the Secretary to address the problems in the management and organization of the Department of Defense for space activities that are identified by the Commission To Assess United States National Security Space Management and Organization in the report of the Commission submitted under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

SEC. 912. RESPONSIBILITY FOR SPACE PROGRAMS.

(a) IN GENERAL.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter:

''CHAPTER 135—SPACE PROGRAMS

''Sec.
''2271. Responsibility for space programs.

''§ 2271. Responsibility for space programs

''(a) RESPONSIBILITY OF SECRETARY OF AIR FORCE AS EXECUTIVE AGENT.—The Secretary of the Air Force shall be the executive agent of the Department of Defense for functions of the Department designated by the Secretary of Defense with respect to the following:

''(1) Planning for the acquisition programs, projects, and activities of the Department that relate to space.

''(2) Efficient execution of the programs, projects, and activities.

''(b) RESPONSIBILITY OF UNDER SECRETARY OF AIR FORCE AS ACQUISITION EXECUTIVE.—The Under Secretary of the Air Force shall be the acquisition executive of the Department of the Air Force for the programs, projects, and activities referred to in subsection (a).

''(c) RESPONSIBILITY OF UNDER SECRETARY OF AIR FORCE AS DIRECTOR OF NRO.—The Under Secretary of the Air Force shall act as the Director of the National Reconnaissance Office.

''(d) COORDINATION OF DUTIES OF UNDER SECRETARY OF AIR FORCE.—In carrying out duties under subsections (b) and (c), the Under Secretary of the Air Force shall coordinate the space programs, projects, and activities of the Department of Defense and the programs, projects, and activities of the National Reconnaissance Office.

''(e) SPACE CAREER FIELD.—(1) The Under Secretary of the Air Force shall establish and implement policies and procedures to develop a cadre of technically competent officers with the capability to develop space doctrine, concepts of space operations, and space systems for the Department of the Air Force.

''(2) The Secretary of the Air Force shall assign to the commander of Air Force Space Command primary responsibility for—

''(A) establishing and implementing education and training programs for space programs, projects, and activities of the Department of the Air Force; and

''(B) management of the space career field under paragraph (1).

''(f) JOINT PROGRAM MANAGEMENT.—The Under Secretary of the Air Force shall take appropriate actions to ensure that, to maximum extent practicable, Army, Navy, Marine Corps, and Air Force personnel are assigned, on a joint duty assignment basis, as follows:

''(1) To carry out the space development and acquisition programs of the Department of Defense; and

''(2) To the Office of the National Security Space Architect.''.

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of such subtitle and at the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 134 the following new item:

''135. Space Programs ..... 2271''.

SEC. 913. MAJOR FORCE PROGRAM CATEGORY FOR SPACE PROGRAMS.

(a) REQUIREMENT.—The Secretary of Defense shall create a major force program category for space programs for purposes of the future-years defense program under section 221 of title 10, United States Code.

(b) COMMENCEMENT.—The category created under subsection (a) shall be included in each future-years defense program submitted to Congress under section 221 of title 10, United States Code, in fiscal years after fiscal year 2002.

SEC. 914. ASSESSMENT OF IMPLEMENTATION OF RECOMMENDATIONS OF COMMISSION TO ASSESS UNITED STATES NATIONAL SECURITY SPACE MANAGEMENT AND ORGANIZATION.

(a) COMPTROLLER GENERAL ASSESSMENT.—The Comptroller General shall carry out an assessment of the progress made by the Department of Defense in implementing the recommendations of the Commission To Assess United States National Security Space Management and Organization as contained in the report of the Commission submitted under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

(b) REPORTS.—Not later than February 15 of each of 2002 and 2003, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the assessment carried out under subsection (a). Each report shall set forth the results of the assessment as of the date of such report.

SEC. 915. GRADE OF COMMANDER OF AIR FORCE SPACE COMMAND.

(a) IN GENERAL.—Chapter 845 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 8584. Commander of Air Force Space Command

''(a) GRADE.—The officer serving as commander of the Air Force Space Command shall, while so serving, have the grade of general.

''(b) LIMITATION ON CONCURRENT COMMAND ASSIGNMENTS.—The officer serving as commander of the Air Force Space Command may not, while so serving, serve as commander-in-chief of the United States Space Command (or any successor combatant command with responsibility for space) or as commander of the United States element of the North American Air Defense Command.''.

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

''8584. Commander of Air Force Space Command.''.

SEC. 916. SENSE OF CONGRESS REGARDING GRADE OF OFFICER ASSIGNED AS COMMANDER OF UNITED STATES SPACE COMMAND.

It is the sense of Congress that the Secretary of Defense should assign the best qualified officer of the Army, Marine Corps, or Air Force with the grade of general, or of the Navy with the grade of admiral, to the position of Commander of the United States Space Command.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2002 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. REDUCTION IN AUTHORIZATIONS OF APPROPRIATIONS FOR DEPARTMENT OF DEFENSE FOR MANAGEMENT EFFICIENCIES.

Notwithstanding any other provision of this Act, the total amount authorized to be appropriated for the Department of Defense by divisions A and B of this Act is hereby reduced by $1,630,000,000, to reflect savings to be achieved through implementation of the provisions of title VIII and other management efficiencies and business process reforms.

SEC. 1003. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2001.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 2001 in the Floyd D. Spence National Defense

Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in title I of the Supplemental Appropriations Act, 2001 (Public Law 107–20).

SEC. 1004. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2002.

(a) FISCAL YEAR 2002 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2002 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 2001, of funds appropriated for fiscal years before fiscal year 2002 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), $708,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $175,849,000 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. 1005. CLARIFICATION OF APPLICABILITY OF INTEREST PENALTIES FOR LATE PAYMENT OF INTERIM PAYMENTS DUE UNDER CONTRACTS FOR SERVICES.

Section 1010(d) 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–251) is amended by inserting before the period at the end of the first sentence the following: '', and shall apply with respect to interim payments that are due on or after such date under contracts entered into before, on, or after that date''.

SEC. 1006. RELIABILITY OF DEPARTMENT OF DEFENSE FINANCIAL STATEMENTS.

(a) ANNUAL REPORT ON RELIABILITY.—(1) Not later than July 1 of each year, the Secretary of Defense shall submit to the recipients referred to in paragraph (3) a report on the reliability of the Department of Defense financial statements, including the financial statements of each component of the department that is required to prepare a financial statement under section 3515(c) of title 31, United States Code.

(2) The annual report shall contain the following:

(A) A conclusion regarding whether the policies and procedures of the Department of Defense, and the systems used within the Department of Defense, for the preparation of financial statements allow the achievement of reliability in the financial statements.

(B) For each of the financial statements prepared for the Department of Defense for the fiscal year in which the report is submitted, a conclusion regarding the expected reliability of the financial statement (evaluated on the basis of Office of Management and Budget guidance on financial statements), together with a discussion of the major deficiencies to be expected in the statement.

(C) A summary of the specific sections of the annual Financial Management Improvement Plan of the Department of Defense, current as of the date of the report, that—

(i) detail the priorities, milestones, and measures of success that apply to the preparation of the financial statements;

(ii) detail the planned improvements in the process for the preparation of financial statements that are to be implemented within 12 months after the date on which the plan is issued; and

(iii) provide an estimate of when each financial statement will convey reliable information.

(3) The annual report shall be submitted to the following:

(A) The Committee on Armed Services and the Committee on Governmental Affairs of the Senate.

(B) The Committee on Armed Services and the Committee on Government Reform of the House of Representatives.

(C) The Director of the Office of Management and Budget.

(D) The Secretary of the Treasury.

(E) The Comptroller General of the United States.

(4) The Secretary of Defense shall make a copy of the annual report available to the Inspector General of the Department of Defense.

(b) MINIMIZATION OF USE OF RESOURCES FOR UNRELIABLE FINANCIAL STATEMENTS.—(1) With respect to each financial statement for a fiscal year that the Secretary of Defense assesses as being expected to be unreliable in the annual report under subsection (a), the Under Secretary of Defense (Comptroller) or the Assistant Secretary (Financial Management and Comptroller) of the military department concerned shall take appropriate actions to minimize the resources, including contractor support, that are used to develop, compile, and report the financial statement.

(2)(A) With the annual budget justifications for the Department of Defense submitted to Congress each year, the Under Secretary of Defense (Comptroller) shall submit, with respect to the fiscal year in which submitted, the preceding fiscal year, and the following fiscal year, the following information:

(i) An estimate of the resources that the Department of Defense is saving or expects to save as a result of actions taken and to be taken under paragraph (1) with respect to the preparation of financial statements.

(ii) A discussion of how the resources saved as estimated under clause (i) have been redirected or are to be redirected from the preparation of financial statements to the improvement of systems underlying financial management within the Department of Defense and to the improvement of financial management policies, procedures, and internal controls within the Department of Defense.

(B) The Assistant Secretaries (Financial Management and Comptroller) of the Army, Navy, and Air Force shall provide the Under Secretary of Defense (Comptroller) with the information necessary for making the estimate required by subparagraph (A)(i).

(c) INFORMATION TO AUDITORS.—Not later than October 31 of each year, the Under Secretary of Defense (Comptroller) and the Assistant Secretaries (Financial Management and Comptroller) of the Army, Navy, and Air Force shall each provide to the auditors of the financial statement of that official's department for the fiscal year ending during the preceding month the official's preliminary management representation, in writing, regarding the expected reliability of the financial statement. The representation shall be consistent with guidance issued by the Director of the Office of Management and Budget and shall include the basis for the reliability assessment stated in the representation.

(d) LIMITATION ON INSPECTOR GENERAL AUDITS.—(1) On each financial statement that an official asserts is unreliable under subsection (b) or (c), the Inspector General of the Department of Defense shall only perform the audit procedures required by generally accepted government auditing standards consistent with any representation made by management.

(2)(A) With the annual budget justifications for the Department of Defense submitted to Congress each year, the Under Secretary of Defense (Comptroller) shall submit, with respect to the fiscal year in which submitted, the preceding fiscal year, and the following fiscal year, information which the Inspector General shall report to the Under Secretary, as follows:

(i) An estimate of the resources that the Inspector General is saving or expects to save as a result of actions taken and to be taken under paragraph (1) with respect to the auditing of financial statements.

(ii) A discussion of how the resources saved as estimated under clause (i) have been redirected or are to be redirected from the auditing of financial statements to the oversight and improvement of systems underlying financial management within the Department of Defense and to the oversight and improvement of financial management policies, procedures, and internal controls within the Department of Defense.

(e) PERIOD OF APPLICABILITY.—(1) Except as provided in paragraph (2), the requirements of this section shall apply with respect to financial statements for fiscal years after fiscal year 2000 and before fiscal year 2006 and to the auditing of those financial statements.

(2) If the Secretary of Defense certifies to the Inspector General of the Department of Defense that the financial statement for the Department of Defense, or a financial statement for a component of the Department of Defense, for a fiscal year is reliable, this section shall not apply with respect to that financial statement or to any successive financial statement for the department or that component, as the case may be, for any later fiscal year.

SEC. 1007. FINANCIAL MANAGEMENT MODERNIZATION EXECUTIVE COMMITTEE AND FINANCIAL FEEDER SYSTEMS COMPLIANCE PROCESS.

(a) ESTABLISHMENT OF FINANCIAL MANAGEMENT MODERNIZATION EXECUTIVE COMMITTEE.—(1) The Secretary of Defense shall establish a Financial Management Modernization Executive Committee.

(2) The Committee shall be composed of the Under Secretary of Defense (Comptroller), the Under Secretary of Defense (Acquisition, Technology, and Logistics), the

Under Secretary of Defense (Personnel and Readiness), the chief information officer of the Department of Defense, and other key managers of the Department of Defense (including key managers in Defense Agencies and military departments) who are designated by the Secretary.

(3) The Under Secretary of Defense (Comptroller) shall be the Chairman of the Committee.

(4) The Committee shall be accountable to the Senior Executive Council composed of the Secretary of Defense, the Deputy Secretary of Defense, the Under Secretary of Defense for Acquisition, Technology, and Logistics, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

(b) DUTIES.—The Financial Management Modernization Executive Committee shall have the following duties:

(1) To establish a financial and feeder systems compliance process that ensures that each critical accounting, financial management, and feeder system of the Department of Defense is compliant with applicable Federal financial management and reporting requirements.

(2) To develop a management plan for the implementation of the financial and feeder systems compliance process.

(3) To supervise and monitor the actions that are necessary to implement the management plan, as approved by the Secretary of Defense.

(4) To ensure that a Department of Defense financial management enterprise architecture is development and maintained in accordance with—

(A) the overall business process transformation strategy of the Department; and

(B) the Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance Architecture Framework of the Department.

(5) To ensure that investments in existing or proposed financial management systems for the Department comply with the overall business practice transformation strategy of the Department and the financial management enterprise architecture developed under paragraph (4).

(6) To provide an annual accounting of all financial and feeder system investment technology projects to ensure that such projects are being implemented at acceptable cost and within a reasonable schedule, and are contributing to tangible, observable improvements in mission performance.

(c) MANAGEMENT PLAN FOR IMPLEMENTATION OF FINANCIAL FEEDER SYSTEMS COMPLIANCE PROCESS.—The management plan developed under subsection (b)(2) shall include among its principal elements at least the following elements:

(1) A requirement to establish and maintain a complete inventory of all budgetary, accounting, finance, and feeder systems that support the transformed business processes of the Department and produce financial statements.

(2) A phased process for improving systems that provides for mapping financial data flow from sources to cognizant Department business functions (as part of the overall business process transformation strategy of the Department) and financial statements before other actions are initiated.

(3) Periodic submittal to the Secretary of Defense, the Deputy Secretary of Defense, the Senior Executive Council, or any combination thereof, of reports on the progress being made in achieving financial management transformation goals and milestone included in the annual financial management improvement plan in 2002 in accordance with subsection (e).

(4) Documentation of the completion of each phase—Awareness, Evaluation, Renovation, Validation, and Compliance—of improvements made to each accounting, finance, and feeder system.

(5) Independent audit by the Inspector General of the Department, the audit agencies of the military department, private sector firms contracted to conduct validation audits, or any combination thereof, at the validation phase for each accounting, finance, and feeder system.

(d) ANNUAL FINANCIAL MANAGEMENT IMPROVEMENT PLAN.—(1) Subsection (a) of section 2222 of title 10, United States Code, is amended to read as follows:

''(a) ANNUAL PLAN REQUIRED.—The Secretary of Defense shall submit to Congress an annual strategic plan for the improvement of financial management within the Department of Defense. The plan shall be submitted not later than September 30 each year.''.

(2)(A) The section heading of such section is amended to read as follows:

''§ 2222. Annual financial management improvement plan''.

(B) The table of sections at the beginning of chapter 131 of such title is amended by striking the item relating to section 2222 and inserting the following new item:

''2222. Annual financial management improvement plan.''.

(e) ADDITIONAL ELEMENTS FOR FINANCIAL MANAGEMENT IMPROVEMENT PLAN IN 2002.—In the annual financial management improvement plan submitted under section 2222 of title 10, United States Code (as amended by subsection (d)), in 2002, the Secretary shall include the following:

(1) Measurable annual performance goals for improvement of the financial management of the Department.

(2) Performance milestones for initiatives under the plan for transforming the financial management operations of the Department and for implementing a financial management architecture for the Department.

(3) An assessment of the anticipated annual cost of any plans for transforming the financial management operations of the Department and for implementing a financial management architecture for the Department.

(4) A discussion of the following:

(A) The roles and responsibilities of appropriate Department officials to ensure the supervision and monitoring of the compliance of each accounting, finance, and feeder system of the Department with the business practice transformation strategy of the Department, the financial management architecture of the Department, and applicable Federal financial management systems and reporting requirements.

(B) A summary of the actions taken by the Financial Management Modernization Executive Committee to ensure that such systems comply with the business practice transformation strategy of the Department, the financial management architecture of the Department, and applicable Federal financial management systems and reporting requirements.

(f) ADDITIONAL ELEMENTS FOR FINANCIAL MANAGEMENT IMPROVEMENT PLAN AFTER 2002.—In each annual financial management improvement plan submitted under section 2222 of title 10, United States Code (as amended by subsection (d)), after 2002, the Secretary shall include the following:

(1) A description of the actions to be taken in the fiscal year beginning in the year in which the plan is submitted to implement the goals and milestones included in the financial management improvement plan in 2002 under paragraphs (1) and (2) of subsection (e).

(2) An estimate of the amount expended in the fiscal year ending in the year in which the plan is submitted to implement the financial management improvement plan in such preceding calendar year, set forth by system.

(3) If an element of the financial management improvement plan submitted in the fiscal year ending in the year in which the plan is submitted was not implemented, a justification for the lack of implementation of such element.

SEC. 1008. COMBATING TERRORISM READINESS INITIATIVES FUND FOR COMBATANT COMMANDS.

(a) FUNDING FOR INITIATIVES.—Chapter 6 of title 10, United States Code, is amended by inserting after section 166a the following new section:

''§ 166b. Combatant commands: funding for combating terrorism readiness initiatives

''(a) COMBATING TERRORISM READINESS INITIATIVES FUND.—From funds made available in any fiscal year for the budget account in the Department of Defense known as the 'Combating Terrorism Readiness Initiatives Fund', the Chairman of the Joint Chiefs of Staff may provide funds to the commander of a combatant command, upon the request of the commander, or, with respect to a geographic area or areas not within the area of responsibility of a commander of a combatant command, to an officer designated by the Chairman of the Joint Chiefs of Staff for such purpose. The Chairman may provide such funds for initiating any activity named in subsection (b) and for maintaining and sustaining the activity for the fiscal year in which initiated and one additional fiscal year.

''(b) AUTHORIZED ACTIVITIES.—Activities for which funds may be provided under subsection (a) are the following:

''(1) Procurement and maintenance of physical security equipment.

''(2) Improvement of physical security sites.

''(3) Under extraordinary circumstances—

''(A) physical security management planning;

''(B) procurement and support of security forces and security technicians;

''(C) security reviews and investigations and vulnerability assessments; and

''(D) any other activity relating to physical security.

''(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the Combating Terrorism Readiness Initiatives Fund, should give priority consideration to emergency or emergent unforeseen high-priority requirements for combating terrorism.

''(d) RELATIONSHIP TO OTHER FUNDING.—Any amount provided by the Chairman of the Joint Chiefs of Staff for a fiscal year out of the Combating Terrorism Readiness Initiatives Fund for an activity referred to in subsection (b) shall be in addition to amounts otherwise available for that activity for that fiscal year.

''(e) LIMITATION.—Funds may not be provided under this section for any activity that has been denied authorization by Congress.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 166a the following new item:

''166b. Combatant commands: funding for combating terrorism readiness initiatives.''.

SEC. 1009. AUTHORIZATION OF ADDITIONAL FUNDS.

(a) AUTHORIZATION.—$1,300,000,000 is hereby authorized, in addition to the funds authorized elsewhere in division A of this Act, 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 for ballistic missile defense; and

(2) activities for combating terrorism.

SEC. 1010. AUTHORIZATION OF 2001 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR RECOVERY FROM AND RESPONSE TO TERRORIST ATTACKS ON THE UNITED STATES.

(a) AUTHORIZATION.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 2001 in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398) are hereby adjusted by the amounts of appropriations made available to the Department of Defense pursuant to the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States.

(b) QUARTERLY REPORT.—(1) Promptly after the end of each quarter of a fiscal year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the use of funds made available to the Department of Defense pursuant to the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States.

(2) The first report under paragraph (1) shall be submitted not later than January 2, 2002.

(c) PROPOSED ALLOCATION AND PLAN.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than 15 days after the date on which the Director of the Office of Management and Budget submits to the Committees on Appropriations of the Senate and House of Representatives the proposed allocation and plan required by the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, a proposed allocation and plan for the use of the funds made available to the Department of Defense pursuant to that Act.

Subtitle B—Strategic Forces

SEC. 1011. REPEAL OF LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948) is repealed.

SEC. 1012. BOMBER FORCE STRUCTURE.

(a) LIMITATION.—None of the funds available to the Department of Defense for fiscal year 2002 may be obligated or expended for retiring or dismantling any of the 93 B–1B Lancer bombers in service as of June 1, 2001, or for transferring or reassigning any of those aircraft from the unit or facility to which assigned as of that date, until 30 days after the latest of the following:

(1) The date on which the President transmits to Congress the national security strategy report required in 2001 pursuant to section 108(a)(1) of the National Security Act of 1947 (50 U.S.C. 404a(a)(1)).

(2) The date on which 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 the Quadrennial Defense Review (QDR) under section 118 of title 10, United States Code, that is required to be submitted under that section not later than September 30, 2001.

(3) The date on which the Secretary of Defense submits to the committees referred to in paragraph (2) a report that sets forth—

(A) the changes in national security considerations from those applicable to the air force bomber studies conducted during 1992, 1995, and 1999 that warrant changes in the current configuration of the bomber fleet;

(B) the role of manned bomber aircraft appropriate to meet the requirements of the national security strategy referred to in paragraph (1);

(C) the amount and type of bomber force structure in the United States Air Force appropriate to meet the requirements of the national security strategy referred to in paragraph (1);

(D) the results of a comparative analysis of the cost of basing, maintaining, operating, and upgrading the B–1B Lancer bomber fleet in the active force of the Air Force with the cost of basing, maintaining, operating, and upgrading the B–1B Lancer bomber fleet in a mix of active and reserve component forces of the Air Force; and

(E) the plans of the Department of Defense for assigning new missions to the National Guard units that currently fly B–1 aircraft and for the transition of those units and their facilities from the current B–1 mission to such new missions.

(4) The date on which the Secretary of Defense submits to Congress the report on the results of the Revised Nuclear Posture Review conducted under section 1042 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), as amended by section 1013 of this Act.

(b) GAO STUDY AND REPORT.—The Comptroller General of the United States shall conduct a study on the matters specified in subsection (a)(3). The Comptroller General shall submit to Congress a report containing the results of the study not later than January 31, 2002.

(c) AMOUNT AND TYPE OF BOMBER FORCE STRUCTURE DEFINED.—In this section, the term ''amount and type of bomber force structure'' means the required numbers of B–2 aircraft, B–52 aircraft, and B–1 aircraft consistent with the requirements of the national security strategy referred to in subsection (a)(1).

SEC. 1013. ADDITIONAL ELEMENT FOR REVISED NUCLEAR POSTURE REVIEW.

Section 1041(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–262) is amended by adding at the end the following new paragraph:

''(7) The possibility of deactivating or dealerting nuclear warheads or delivery systems immediately, or immediately after a decision to retire any specific warhead, class of warheads, or delivery system or systems.''.

Subtitle C—Reporting Requirements

SEC. 1021. INFORMATION AND RECOMMENDATIONS ON CONGRESSIONAL REPORTING REQUIREMENTS APPLICABLE TO THE DEPARTMENT OF DEFENSE.

(a) COMPILATION OF REPORTING REQUIREMENTS.—The Secretary of Defense shall compile a list of all provisions of law in effect on the date of the enactment of this Act that require or request the President, with respect to the national defense functions of the Federal Government, or any officer or employee of the Department of Defense, to submit a report, notification, or study to Congress or any committee of Congress. The preceding sentence does not apply to a provision of law that requires or requests only one report, notification, or study.

(b) SUBMITTAL OF COMPILATION.—(1) The Secretary shall submit the list compiled under subsection (a) to Congress not later than 60 days after the date of the enactment of this Act.

(2) In submitting the list, the Secretary shall specify for each provision of law compiled in the list—

(A) the date of the enactment of such provision of law and a current citation in law for such provision of law; and

(B) the Secretary's assessment of the continuing utility of any report, notification, or study arising under such provision of law, both for the executive branch and for Congress.

(3) The Secretary may also include with the list any recommendations that the Secretary considers appropriate for the consolidation of reports, notifications, and studies under the provisions of law described in subsection (a), together with a proposal for legislation to implement such recommendations.

SEC. 1022. REPORT ON COMBATING TERRORISM.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress a report on the Department of Defense policies, plans, and procedures for combating terrorism.

(b) CONTENT.—(1) The Secretary shall identify and explain in the report the Department of Defense structure, strategy, roles, relationships, and responsibilities for combating terrorism.

(2) The report shall also include a discussion of the following matters:

(A) The policies, plans, and procedures relating to how the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict and the Joint Task Force–Civil Support of the Joint Forces Command are to perform, and coordinate the performance of, their functions for combating terrorism with—

(i) the various teams in the Department of Defense that have responsibilities to respond to acts or threats of terrorism, including—

(I) the weapons of mass destruction civil support teams when operating as the National Guard under the command of the Governor of a State, the Governor of Puerto Rico, or the Commanding General of the District of Columbia National Guard, as the case may be; and

(II) the weapons of mass destruction civil support teams when operating as the Army National Guard of the United States or the Air National Guard of the United States under the command of the President;

(ii) the Army's Director of Military Support;

(iii) the various teams in other departments and agencies of the Federal Government that have responsibilities to respond to acts or threats of terrorism;

(iv) the organizations outside the Federal Government, including any private sector entities, that are to function as first responders to acts or threats of terrorism; and

(v) the units and organizations of the reserve components of the Armed Forces that have missions relating to combating terrorism.

(B) Any preparedness plans to combat terrorism that are developed for installations of the Department of Defense by the commanders of the installations and the integration of those plans with the plans of the teams and other organizations described in subparagraph (A).

(C) The policies, plans, and procedures for using and coordinating the Joint Staff's integrated vulnerability assessment teams inside the United States and outside the United States.

(D) The missions of Fort Leonard Wood and other installations for training units, weapons of mass destruction civil support teams and other teams, and individuals in combating terrorism.

(3) The report shall also include the Secretary's views on the appropriate number and missions of the Department of Defense teams referred to in paragraph (2)(A)(i).

(c) TIME FOR SUBMITTAL.—The Secretary shall submit the report under this section not later than 180 days after the date of the enactment of this Act.

SEC. 1023. REVISED REQUIREMENT FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF TO ADVISE SECRETARY OF DEFENSE ON THE ASSIGNMENT OF ROLES AND MISSIONS TO THE ARMED FORCES.

(a) ASSESSMENT DURING DEFENSE QUADRENNIAL REVIEW.—Subsection 118(e) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(e) CJCS REVIEW.—''; and

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

''(2) The Chairman shall include in the assessment submitted under paragraph (1), the Chairman's assessment of the assignment of functions (or roles and missions) to the armed forces together with any recommendations for changes in assignment that the Chairman considers necessary to achieve the maximum efficiency of the armed forces. In making the assessment, the Chairman should consider (among other matters) the following:

''(A) Unnecessary duplication of effort among the armed forces.

''(B) Changes in technology that can be applied effectively to warfare.''.

(b) REPEAL OF REQUIREMENT FOR TRIENNIAL REPORT ON ASSIGNMENT OF ROLES AND MISSIONS.—Section 153 of such title is amended by striking subsection (b).

(c) CONFORMING AMENDMENT.—Subsection (a) of such section 153 is amended by striking ''(a) PLANNING; ADVICE; POLICY FORMULATION.—''.

SEC. 1024. REVISION OF DEADLINE FOR ANNUAL REPORT ON COMMERCIAL AND INDUSTRIAL ACTIVITIES.

Section 2461(g) of title 10, United States Code, is amended by striking ''February 1'' and inserting ''June 30''.

SEC. 1025. PRODUCTION AND ACQUISITION OF VACCINES FOR DEFENSE AGAINST BIOLOGICAL WARFARE AGENTS.

(a) GOVERNMENT FACILITY.—(1) Subject to the availability of funds appropriated and authorized to be appropriated for such purposes, the Secretary of Defense may—

(A) design, construct, and operate on an installation of the Department of Defense a facility for the production of vaccines described in subsection (b)(1);

(B) qualify and validate the facility for the production of vaccines in accordance with the requirements of the Food and Drug Administration; and

(C) contract with a private sector source for the production of vaccines in that facility.

(2) The Secretary shall use competitive procedures under chapter 137 of title 10, United States Code, to enter into contracts to carry out subparagraphs (A) and (C) of paragraph (1).

(b) PLAN.—(1) The Secretary of Defense shall develop a long-range plan to provide for the production and acquisition of vaccines to meet the requirements of the Department of Defense to prevent or mitigate the physiological effects of exposure to biological warfare agents.

(2) The plan shall include the following:

(A) An evaluation of the need for one or more vaccine production facilities that are specifically dedicated to meeting the requirements of the Department of Defense and other national interests.

(B) An evaluation of the alternative options for the means of production of the vaccines, including—

(i) use of public facilities, private facilities, or a combination of public and private facilities; and

(ii) management and operation of the facilities by the Federal Government, one or more private persons, or a combination of the Federal Government and one or more private persons.

(C) The means for producing the vaccines that the Secretary determines most appropriate.

(3) The Secretary shall ensure that the plan is consistent with the requirement for safe and effective vaccines approved by the Food and Drug Administration.

(4) In preparing the plan, the Secretary shall—

(A) consider and, as the Secretary determines appropriate, include the information compiled and the analyses developed in meeting the reporting requirements set forth in sections 217 and 218 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–36 and 1654A–37); and

(B) consult with the heads of other appropriate departments and agencies of the Federal Government.

(c) REPORT.—Not later than February 1, 2002, the Secretary of Defense shall submit to the congressional defense committees a report on the plan for the production of vaccines required by subsection (b). The report shall include, at a minimum, the plan and the following matters:

(1) A description of the policies and requirements of the Department of Defense regarding acquisition and use of the vaccines.

(2) The estimated schedule for the acquisition of the vaccines in accordance with the plan.

(3) A discussion of the options considered for production of the vaccines under subsection (b)(2)(B).

(4) The Secretary's recommendations for the most appropriate course of action to meet the requirements described in subsection (b)(1), together with the justification for the recommendations and the long-term cost of implementing the recommendations.

SEC. 1026. EXTENSION OF TIMES FOR COMMISSION ON THE FUTURE OF THE UNITED STATES AEROSPACE INDUSTRY TO REPORT AND TO TERMINATE.

(a) SUBMITTAL OF REPORT.—Subsection (d) of section 1092 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–302) is amended by striking ''Not later than March 1, 2002,'' and inserting ''Not later than one year after the date of its first meeting,''.

(b) TERMINATION.—Subsection (g) of such section is amended by striking ''30 days'' and inserting ''60 days''.

SEC. 1027. COMPTROLLER GENERAL STUDY AND REPORT ON INTERCONNECTIVITY OF NATIONAL GUARD DISTRIBUTIVE TRAINING TECHNOLOGY PROJECT NETWORKS AND RELATED PUBLIC AND PRIVATE NETWORKS.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study of the interconnectivity between the voice, data, and video networks of the National Guard Distributive Training Technology Project (DTTP) and other Department of Defense, Federal, State, and private voice, data, and video networks, including the networks of the distance learning project of the Army known as Classroom XXI, networks of public and private institutions of higher education, and networks of the Federal Emergency Management Agency and other Federal, State, and local emergency preparedness and response agencies.

(b) PURPOSES.—The purposes of the study under subsection (a) are as follows:

(1) To identify existing capabilities, and future requirements, for transmission of voice, data, and video for purposes of operational support of disaster response, homeland defense, command and control of premobilization forces, training of military personnel, training of first responders, and shared use of the networks of the Distributive Training Technology Project by government and members of the networks.

(2) To identify appropriate connections between the networks of the Distributive Training Technology Project and networks of the Federal Emergency Management Agency, State emergency management agencies, and other Federal and State agencies having disaster response functions.

(3) To identify requirements for connectivity between the networks of the Distributive Training Technology Project and other Department of Defense, Federal, State, and private networks referred to in subsection (a) in the event of a significant disruption of providers of public services.

(4) To identify means of protecting the networks of the Distributive Training Technology Project from outside intrusion, including an assessment of the manner in which so protecting the networks facilitates the mission of the National Guard and homeland defense.

(5) To identify impediments to interconnectivity between the networks of the Distributive Training Technology Project and such other networks.

(6) To identify means of improving interconnectivity between the networks of the Distributive Training Technology Project and such other networks.

(c) PARTICULAR MATTERS.—In conducting the study, the Comptroller General shall consider, in particular, the following:

(1) Whether, and to what extent, national security concerns impede interconnectivity between the networks of the Distributive Training Technology Project and other Department of Defense, Federal, State, and private networks referred to in subsection (a).

(2) Whether, and to what extent, limitations on the technological capabilities of the Department of Defense impede interconnectivity between the networks of the Distributive Training Technology Project and such other networks.

(3) Whether, and to what extent, other concerns or limitations impede interconnectivity between the networks of the Distributive Training Technology Project and such other networks.

(4) Whether, and to what extent, any national security, technological, or other concerns justify limitations on interconnectivity between the networks of the Distributive Training Technology Project and such other networks.

(5) Potential improvements in National Guard or other Department technologies in order to improve interconnectivity between the networks of the Distributive Training Technology Project and such other networks.

(d) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the study conducted under subsection (a). The report shall describe the results of the study, and include any recommendations that the Comptroller General considers appropriate in light of the study.

Subtitle D—Armed Forces Retirement Home

SEC. 1041. AMENDMENT OF ARMED FORCES RETIREMENT HOME ACT OF 1991.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered

to be made to a section or other provision of the Armed Forces Retirement Home Act of 1991 (title XV of Public Law 101–510; 24 U.S.C. 401 et seq.).

SEC. 1042. DEFINITIONS.

Section 1502 (24 U.S.C. 401) is amended—

(1) by striking paragraphs (1), (2), (3), (4), and (5), and inserting the following:

''(1) The term 'Retirement Home' includes the institutions established under section 1511, as follows:

''(A) The Armed Forces Retirement Home—Washington.

''(B) The Armed Forces Retirement Home—Gulfport.

''(2) The term 'Local Board' means a Local Board of Trustees established under section 1516.

''(3) The terms 'Armed Forces Retirement Home Trust Fund' and 'Fund' mean the Armed Forces Retirement Home Trust Fund established under section 1519(a).'';

(2) by redesignating paragraphs (6), (7), and (8) as paragraphs (4), (5), and (6); and

(3) in paragraph (5), as so redesignated—

(A) in subparagraph (C), by striking '', Manpower and Personnel'' and inserting ''for Personnel''; and

(B) in subparagraph (D), by striking ''with responsibility for personnel matters'' and inserting ''for Manpower and Reserve Affairs''.

SEC. 1043. REVISION OF AUTHORITY ESTABLISHING THE ARMED FORCES RETIREMENT HOME.

Section 1511 (24 U.S.C. 411) is amended to read as follows:

''SEC. 1511. ESTABLISHMENT OF THE ARMED FORCES RETIREMENT HOME.

''(a) INDEPENDENT ESTABLISHMENT.—The Armed Forces Retirement Home is an independent establishment in the executive branch.

''(b) PURPOSE.—The purpose of the Retirement Home is to provide, through the Armed Forces Retirement Home—Washington and the Armed Forces Retirement Home—Gulfport, residences and related services for certain retired and former members of the Armed Forces.

''(c) FACILITIES.—(1) Each facility of the Retirement Home referred to in paragraph (2) is a separate establishment of the Retirement Home.

''(2) The United States Soldiers' and Airmen's Home is hereby redesignated as the Armed Forces Retirement Home—Washington. The Naval Home is hereby redesignated as the Armed Forces Retirement Home—Gulfport.

''(d) OPERATION.—(1) The Chief Operating Officer of the Armed Forces Retirement Home is the head of the Retirement Home. The Chief Operating Officer is subject to the authority, direction, and control of the Secretary of Defense.

''(2) Each facility of the Retirement Home shall be maintained as a separate establishment of the Retirement Home for administrative purposes and shall be under the authority, direction, and control of the Director of that facility. The Director of each facility of the Retirement Home is subject to the authority, direction, and control of the Chief Operating Officer.

''(e) PROPERTY AND FACILITIES.—(1) The Retirement Home shall include such property and facilities as may be acquired under paragraph (2) or accepted under section 1515(f) for inclusion in the Retirement Home.

''(2) The Secretary of Defense may acquire, for the benefit of the Retirement Home, property and facilities for inclusion in the Retirement Home.

''(3) The Secretary of Defense may dispose of any property of the Retirement Home, by sale, lease, or otherwise, that the Secretary determines is excess to the needs of the Retirement Home. The proceeds from such a disposal of property shall be deposited in the Armed Forces Retirement Home Trust Fund. No such disposal of real property shall be effective earlier than 120 days after the date on which the Secretary transmits a notification of the proposed disposal to the Committees on Armed Services of the Senate and the House of Representatives.

''(f) DEPARTMENT OF DEFENSE SUPPORT.—The Secretary of Defense may make available from the Department of Defense to the Retirement Home, on a nonreimbursable basis, administrative support and office services, legal and policy planning assistance, access to investigative facilities of the Inspector General of the Department of Defense and of the military departments, and any other support necessary to enable the Retirement Home to carry out its functions under this title.

''(g) ACCREDITATION.—The Chief Operating Officer shall endeavor to secure for each facility of the Retirement Home accreditation by a nationally recognized civilian accrediting organization, such as the Continuing Care Accreditation Commission and the Joint Commission for Accreditation of Health Organizations.

''(h) ANNUAL REPORT.—The Secretary of Defense shall transmit to Congress an annual report on the financial and other affairs of the Retirement Home for each fiscal year.''.

SEC. 1044. CHIEF OPERATING OFFICER.

(a) ESTABLISHMENT AND AUTHORITY OF POSITION.—Section 1515 (24 U.S.C. 415) is amended to read as follows:

''SEC. 1515. CHIEF OPERATING OFFICER.

''(a) APPOINTMENT.—(1) The Secretary of Defense shall appoint the Chief Operating Officer of the Retirement Home. The Secretary of Defense may make the appointment without regard to the provisions of title 5, United States Code, governing appointments in the civil service.

''(2) The Chief Operating Officer shall serve at the pleasure of the Secretary of Defense.

''(3) The Secretary of Defense shall evaluate the performance of the Chief Operating Officer at least once each year.

''(b) QUALIFICATIONS.—To qualify for appointment as the Chief Operating Officer, a person shall—

''(1) be a continuing care retirement community professional;

''(2) have appropriate leadership and management skills; and

''(3) have experience and expertise in the operation and management of retirement homes and in the provision of long-term medical care for older persons.

''(c) RESPONSIBILITIES.—(1) The Chief Operating Officer shall be responsible to the Secretary of Defense for the overall direction, operation, and management of the Retirement Home and shall report to the Secretary on those matters.

''(2) The Chief Operating Officer shall supervise the operation and administration of the Armed Forces Retirement Home—Washington and the Armed Forces Retirement Home—Gulfport, including the Local Boards of those facilities.

''(3) The Chief Operating Officer shall perform the following duties:

''(A) Issue, and ensure compliance with, appropriate rules for the operation of the Retirement Home.

''(B) Periodically visit, and inspect the operation of, the facilities of the Retirement Home.

''(C) Periodically examine and audit the accounts of the Retirement Home.

''(D) Establish any advisory body or bodies that the Chief Operating Officer considers to be necessary.

''(d) COMPENSATION.—(1) The Secretary of Defense may prescribe the pay of the Chief Operating Officer without regard to the provisions of title 5, United States Code, governing classification and pay, except that the basic pay, including locality pay, of the Chief Operating Officer may not exceed the limitations established in section 5307 of such title.

''(2) In addition to basic pay and any locality pay prescribed for the Chief Operating Officer, the Secretary may award the Chief Operating Officer, not more than once each year, a bonus based on the performance of the Chief Operating Officer for the year. The Secretary shall prescribe the amount of any such bonus.

''(e) ADMINISTRATIVE STAFF.—(1) The Chief Operating Officer may, subject to the approval of the Secretary of Defense, appoint a staff to assist in the performance of the Chief Operating Officer's duties in the overall administration of the Retirement Home.

''(2) The Chief Operating Officer shall prescribe the rates of pay applicable to the members of the staff appointed under paragraph (1), without regard to the provisions of title 5, United States Code, regarding classification and pay, except that—

''(A) a staff member who is a member of the Armed Forces on active duty or who is a full-time officer or employee of the United States may not receive additional pay by reason of service on the administrative staff; and

''(B) the limitations in section 5373 of title 5, United States Code, relating to pay set by administrative action, shall apply to the rates of pay prescribed under this paragraph.

''(f) ACCEPTANCE OF GIFTS.—(1) The Chief Operating Officer may accept gifts of money, property, and facilities on behalf of the Retirement Home.

''(2) Monies received as gifts, or realized from the disposition of property and facilities received as gifts, shall be deposited in the Armed Forces Retirement Home Trust Fund.''.

(b) TRANSFER OF AUTHORITIES.—(1) The following provisions are amended by striking ''Retirement Home Board'' each place it appears and inserting ''Chief Operating Officer'':

(A) Section 1512 (24 U.S.C. 412), relating to eligibility and acceptance for residence in the Armed Forces Retirement Home.

(B) Section 1513(a) (24 U.S.C. 412(a)), relating to services provided to residents of the Armed Forces Retirement Home.

(C) Section 1518(c) (24 U.S.C. 418(c)), relating to inspection of the Armed Forces Retirement Home.

(2) Section 1519(c) (24 U.S.C. 419(c)), relating to authority to invest funds in the Armed Forces Retirement Home Trust Fund, is amended by striking ''Director'' and inserting ''Chief Operating Officer''.

(3) Section 1521(a) (24 U.S.C. 421(a)), relating to payment of residents for services, is amended by striking ''Chairman of the Armed Forces Retirement Board'' and inserting ''Chief Operating Officer''.

(4) Section 1522 (24 U.S.C. 422), relating to authority to accept certain uncompensated services, is amended—

(A) in subsection (a)—

(i) by striking ''Chairman of the Retirement Home Board or the Director of each establishment'' and inserting ''Chief Operating Officer or the Director of a facility''; and

(ii) by striking ''unless'' and all that follows through ''Retirement Home Board'';

(B) in subsection (b)(1)—

(i) by striking ''Chairman of the Retirement Home Board or the Director of the establishment'' and inserting ''Chief Operating Officer or the Director of a facility''; and

(ii) by inserting ''offering the services'' after ''notify the person'';

(C) in subsection (b)(2), by striking ''Chairman'' and inserting ''Chief Operating Officer'';

(D) in subsection (c), by striking ''Chairman of the Retirement Home Board or the Director of an establishment'' and inserting ''Chief Operating Officer or the Director of a facility''; and

(E) in subsection (e)—

(i) by striking ''Chairman of the Retirement Board or the Director of the establishment'' in the first sentence and inserting ''Chief Operating Officer or the Director of a facility''; and

(ii) by striking ''Chairman'' in the second sentence and inserting ''Chief Operating Officer''.

(5) Section 1523(b) (24 U.S.C. 423(b)), relating to preservation of historic buildings and grounds at the Armed Forces Retirement Home—Washington, is amended by striking ''Chairman of the Retirement Home Board'' and inserting ''Chief Operating Officer''.

SEC. 1045. RESIDENTS OF RETIREMENT HOME.

(a) REPEAL OF REQUIREMENT OF RESIDENT TO REAPPLY AFTER SUBSTANTIAL ABSENCE.—Subsection (e) of section 1512 (24 U.S.C. 412) is repealed.

(b) FEES PAID BY RESIDENTS.—Section 1514 (24 U.S.C. 414) is amended to read as follows:

''SEC. 1514. FEES PAID BY RESIDENTS.

''(a) MONTHLY FEES.—The Director of each facility of the Retirement Home shall collect a monthly fee from each resident of that facility.

''(b) DEPOSIT OF FEES.—The Directors shall deposit fees collected under subsection (a) in the Armed Forces Retirement Home Trust Fund.

''(c) FIXING FEES.—(1) The Chief Operating Officer, with the approval of the Secretary of Defense, shall from time to time prescribe the fees required by subsection (a). Changes to such fees shall be based on the financial needs of the Retirement Home and the ability of the residents to pay. A change of a fee may not take effect until 120 days after the Secretary of Defense transmits a notification of the change to the Committees on Armed Services of the Senate and the House of Representatives.

''(2) The fee shall be fixed as a percentage of the monthly income and monthly payments (including Federal payments) received by a resident. The fee shall be subject to a limitation on maximum monthly amount. The percentage shall be the same for each facility of the Retirement Home. The Secretary of Defense may make any adjustment in a percentage or limitation on maximum amount that the Secretary determines appropriate.

''(d) TRANSITIONAL FEE STRUCTURES.—(1) Until different fees are prescribed and take effect under subsection (c), the percentages and limitations on maximum monthly amount that are applicable to fees charged residents of the Retirement Home are (subject to any adjustment that the Secretary of Defense determines appropriate) as follows:

''(A) For months beginning before January 1, 2002—

''(i) for a permanent health care resident, 65 percent (without limitation on maximum monthly amount); and

''(ii) for a resident who is not a permanent health care resident, 40 percent (without limitation on maximum monthly amount).

''(B) For months beginning after December 31, 2001—

''(i) for an independent living resident, 35 percent, but not to exceed $1,000 each month;

''(ii) for an assisted living resident, 40 percent, but not to exceed $1,500 each month; and

''(iii) for a long-term care resident, 65 percent, but not to exceed $2,500 each month.

''(2) Notwithstanding the limitations on maximum monthly amount prescribed under subsection (c) or set forth in paragraph (1)(B), until an independent living resident or assisted living resident of the Armed Forces Retirement Home—Gulfport occupies a renovated room at that facility, as determined by the Secretary of Defense, the limitation on maximum monthly amount applicable to the resident for months beginning after December 31, 2001, shall be—

''(A) in the case of an independent living resident, $800; and

''(B) in the case of an assisted living resident, $1,300.

SEC. 1046. LOCAL BOARDS OF TRUSTEES.

Section 1516 (24 U.S.C. 416) is amended to read as follows:

''SEC. 1516. LOCAL BOARDS OF TRUSTEES.

''(a) ESTABLISHMENT.—Each facility of the Retirement Home shall have a Local Board of Trustees.

''(b) DUTIES.—The Local Board for a facility shall serve in an advisory capacity to the Director of the facility and to the Chief Operating Officer.

''(c) COMPOSITION.—(1) The Local Board for a facility shall consist of at least 11 members who (except as otherwise specifically provided) shall be appointed by the Secretary of Defense in consultation with each of the Secretaries of the military departments concerned. At least one member of the Local Board shall have a perspective that is oriented toward the Retirement Home overall. The Local Board for a facility shall consist of the following members:

''(A) One member who is a civilian expert in nursing home or retirement home administration and financing from the geographical area of the facility.

''(B) One member who is a civilian expert in gerontology from the geographical area of the facility.

''(C) One member who is a service expert in financial management.

''(D) One representative of the Department of Veterans Affairs regional office nearest in proximity to the facility, who shall be designated by the Secretary of Veterans Affairs.

''(E) One representative of the resident advisory committee or council of the facility, who shall be a nonvoting member.

''(F) One enlisted representative of the Services' Retiree Advisory Council.

''(G) The senior noncommissioned officer of one of the Armed Forces.

''(H) One senior representative of the military hospital nearest in proximity to the facility.

''(I) One senior judge advocate from one of the Armed Forces.

''(J) The Director of the facility, who shall be a nonvoting member.

''(K) One senior representative of one of the chief personnel officers of the Armed Forces.

''(L) Other members designated by the Secretary of Defense (if the Local Board is to have more than 11 members).

''(2) The Secretary of Defense shall designate one member of a Local Board to serve as the chairman of the Local Board at the pleasure of the Secretary of Defense.

''(d) TERMS.—(1) Except as provided in subsections (e), (f), and (g), the term of office of a member of a Local Board shall be five years.

''(2) Unless earlier terminated by the Secretary of Defense, a person may continue to serve as a member of the Local Board after the expiration of the member's term until a successor is appointed or designated, as the case may be.

''(e) EARLY EXPIRATION OF TERM.—A member of a Local Board who is a member of the Armed Forces or an employee of the United States serves as a member of the Local Board only for as long as the member is assigned to or serving in a position for which the duties include the duty to serve as a member of the Local Board.

''(f) VACANCIES.—(1) A vacancy in the membership of a Local Board shall be filled in the manner in which the original appointment or designation was made, as the case may be.

''(2) A member appointed or designated to fill a vacancy occurring before the end of the term of the predecessor of the member shall be appointed or designated, as the case may be, for the remainder of the term for which the predecessor was appointed.

''(3) A vacancy in a Local Board shall not affect its authority to perform its duties.

''(g) EARLY TERMINATION.—The Secretary of Defense may terminate the appointment of a member of a Local Board before the expiration of the member's term for any reason that the Secretary determines appropriate.

''(h) COMPENSATION.—(1) Except as provided in paragraph (2), a member of a Local Board shall—

''(A) be provided a stipend consistent with the daily government consultant fee for each day on which the member is engaged in the performance of services for the Local Board; and

''(B) while away from home or regular place of business in the performance of services for the Local Board, be allowed travel expenses (including per diem in lieu of subsistence) in the same manner as a person employed intermittently in Government under sections 5701 through 5707 of title 5, United States Code.

''(2) A member of a Local Board who is a member of the Armed Forces on active duty or a full-time officer or employee of the United States shall receive no additional pay by reason of serving a member of a Local Board.''.

SEC. 1047. DIRECTORS, DEPUTY DIRECTORS, AND STAFF OF FACILITIES.

Section 1517 (24 U.S.C. 417) is amended to read as follows:

''SEC. 1517. DIRECTORS, DEPUTY DIRECTORS, AND STAFF OF FACILITIES.

''(a) APPOINTMENT.—The Secretary of Defense shall appoint a Director and a Deputy Director for each facility of the Retirement Home.

''(b) DIRECTOR.—The Director of a facility shall—

''(1) be a member of the Armed Forces serving on active duty in a grade above lieutenant colonel or commander;

''(2) have appropriate leadership and management skills; and

''(3) be required to pursue a course of study to receive certification as a retirement facilities director by an appropriate civilian certifying organization, if the Director is not so certified at the time of appointment.

''(c) DUTIES OF DIRECTOR.—(1) The Director of a facility shall be responsible for the day-to-day operation of the facility, including the acceptance of applicants to be residents of that facility.

''(2) The Director of a facility shall keep accurate and complete records of the facility.

''(d) DEPUTY DIRECTOR.—(1) The Deputy Director of a facility shall—

''(A) be a civilian with experience as a continuing care retirement community professional or a member of the Armed Forces serving on active duty in a grade above major or lieutenant commander; and

''(B) have appropriate leadership and management skills.

''(2) The Deputy Director of a facility shall—

''(A) be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service; and

''(B) serve at the pleasure of the Secretary of Defense, without regard to the provisions of title 5, United States Code.

''(e) DUTIES OF DEPUTY DIRECTOR.—The Deputy Director of a facility shall, under the authority, direction, and control of the Director of the facility, perform such duties as the Director may assign.

''(f) STAFF.—(1) The Director of a facility may, subject to the approval of the Chief Operating Officer, appoint and prescribe the pay of such principal staff as the Director considers appropriate to assist the Director in operating the facility.

''(2) The principal staff of a facility shall include persons with experience and expertise in the operation and management of retirement homes and in the provision of long-term medical care for older persons.

''(3) The Director of a facility may exercise the authority under paragraph (1) without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, classification, and pay, except that the limitations in section 5373 of such title (relating to pay set by administrative action) shall apply to the rates of pay prescribed under this paragraph.

''(g) ANNUAL EVALUATION OF DIRECTORS.—(1) The Chief Operating Officer shall evaluate the performance of each of the Directors of the facilities of the Retirement Home each year.

''(2) The Chief Operating Officer shall submit to the Secretary of Defense any recommendations regarding a Director that the Chief Operating Officer determines appropriate taking into consideration the annual evaluation.''.

SEC. 1048. DISPOSITION OF EFFECTS OF DECEASED PERSONS AND UNCLAIMED PROPERTY.

(a) LEGAL REPRESENTATION FOR RETIREMENT HOME.—Subsection (b)(2)(A) of section 1520 (24 U.S.C. 420) is amended by inserting ''who is a full-time officer or employee of the United States or a member of the Armed Forces on active duty'' after ''may designate an attorney''.

(b) CORRECTION OF REFERENCE.—Subsection (b)(1)(B) of such section is amended by inserting ''Armed Forces'' before ''Retirement Home Trust Fund''.

SEC. 1049. TRANSITIONAL PROVISIONS.

Part B is amended by striking sections 1531, 1532, and 1533 and inserting the following:

''SEC. 1531. TEMPORARY CONTINUATION OF ARMED FORCES RETIREMENT HOME BOARD.

''Until the Secretary of Defense appoints the first Chief Operating Officer after the enactment of the National Defense Authorization Act for Fiscal Year 2002, the Armed Forces Retirement Home Board, as constituted on the day before the date of the enactment of that Act, shall continue to serve and shall perform the duties of the Chief Operating Officer.

''SEC. 1532. TEMPORARY CONTINUATION OF DIRECTOR OF THE ARMED FORCES RETIREMENT HOME—WASHINGTON.

''The person serving as the Director of the Armed Forces Retirement Home—Washington on the day before the enactment of the National Defense Authorization Act for Fiscal Year 2002 may continue to serve as the Director of that facility until April 2, 2002.

''SEC. 1533. TEMPORARY CONTINUATION OF INCUMBENT DEPUTY DIRECTORS.

''A person serving as the Deputy Director of a facility of the Retirement Home on the day before the enactment of the National Defense Authorization Act for Fiscal Year 2002 may continue to serve, at the pleasure of the Secretary of Defense, as the Deputy Director until the date on which a Deputy Director is appointed for that facility under section 1517, except that the service in that position may not continue under this section after December 31, 2004.''.

SEC. 1050. CONFORMING AND CLERICAL AMENDMENTS AND REPEALS OF OBSOLETE PROVISIONS.

(a) CONFORMING AMENDMENTS.—(1) Section 1513(b) (24 U.S.C. 413(b)), relating to services provided to residents of the Armed Forces Retirement Home, is amended by striking ''maintained as a separate establishment'' in the second sentence.

(2) The heading for section 1519 (24 U.S.C. 419) is amended to read as follows:

''SEC. 1519. ARMED FORCES RETIREMENT HOME TRUST FUND.''.

(3) Section 1520 (24 U.S.C. 420), relating to disposition of effects of deceased persons and unclaimed property, is amended—

(A) in subsection (a), by striking ''each facility that is maintained as a separate establishment'' and inserting ''a facility'';

(B) in subsection (b)(2)(A), by striking ''maintained as a separate establishment''; and

(C) in subsection (e), by striking ''Directors'' and inserting ''Director of the facility''.

(4)(A) Section 1523 (24 U.S.C. 423), relating to preservation of historic buildings and grounds at the Armed Forces Retirement Home—Washington, is amended by striking ''United States Soldiers' and Airmen's Home'' each place it appears and inserting ''Armed Forces Retirement Home—Washington''.

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

''SEC. 1523. PRESERVATION OF HISTORIC BUILDINGS AND GROUNDS AT THE ARMED FORCES RETIREMENT HOME—WASHINGTON.''.

(5) Section 1524 (24 U.S.C. 424), relating to conditional supervisory control of the Retirement Home Board, is repealed.

(b) REPEAL OF OBSOLETE PROVISIONS.—The following provisions are repealed:

(1) Section 1512(f) (24 U.S.C. 412(f)), relating to the applicability of certain eligibility requirements.

(2) Section 1519(d) (24 U.S.C. 419(d)), relating to transitional accounts in the Armed Forces Retirement Home Trust Fund.

(3) Part C, relating to effective date and authorization of appropriations.

(c) ADDITION OF TABLE OF CONTENTS.—Title XV of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1722) is amended by inserting after the heading for such title the following:

''Sec. 1501. Short title.
''Sec. 1502. Definitions.

''PART A—ESTABLISHMENT AND OPERATION OF RETIREMENT HOME

''Sec. 1511. Establishment of the Armed Forces Retirement Home.
''Sec. 1512. Residents of Retirement Home.
''Sec. 1513. Services provided residents.
''Sec. 1514. Fees paid by residents.
''Sec. 1515. Chief Operating Officer.
''Sec. 1516. Local Boards of Trustees.
''Sec. 1517. Directors, Deputy Directors, and staff of facilities.
''Sec. 1518. Inspection of Retirement Home.
''Sec. 1519. Armed Forces Retirement Home Trust Fund.
''Sec. 1520. Disposition of effects of deceased persons; unclaimed property.
''Sec. 1521. Payment of residents for services.
''Sec. 1522. Authority to accept certain uncompensated services.
''Sec. 1523. Preservation of historic buildings and grounds at the Armed Forces Retirement Home—Washington.

''PART B—TRANSITIONAL PROVISIONS

''Sec. 1531. Temporary Continuation of Armed Forces Retirement Home Board.
''Sec. 1532. Temporary Continuation of Director of the Armed Forces Retirement Home—Washington.
''Sec. 1533. Temporary Continuation of Incumbent Deputy Directors.''.

SEC. 1051. AMENDMENTS OF OTHER LAWS.

(a) EMPLOYEE PERFORMANCE APPRAISALS.—Section 4301(2) of title 5, United States Code, is amended—

(1) by striking ''or'' at the end of subparagraph (G);

(2) by striking ''and'' at the end of subparagraph (H) and inserting ''or''; and

(3) by inserting at the end the following new subparagraph:

''(I) the Chief Operating Officer and the Deputy Directors of the Armed Forces Retirement Home; and''.

(b) EXCLUSION OF CERTAIN OFFICERS FROM CERTAIN LIMITATIONS APPLICABLE TO GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.—(1) Section 525 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(e) An officer while serving as a Director of the Armed Forces Retirement Home, if serving in the grade of major general or rear admiral, is in addition to the number that would otherwise be permitted for that officer's armed force for that grade under subsection (a).''.

(2)(A) Section 526 of such title is amended by adding at the end the following new subsection:

''(e) EXCLUSION OF DIRECTORS OF ARMED FORCES RETIREMENT HOME.—The limitations of this section do not apply to a general or flag officer while the officer is assigned as the Director of a facility of the Armed Forces Retirement Home.''.

(B) Subsection (d) of such section is amended by inserting ''RESERVE COMPONENT'' after ''EXCLUSION OF CERTAIN''.

(3) Section 688(e)(2) of such title is amended by adding at the end the following new subparagraph:

''(D) A general officer or flag officer assigned as the Director of a facility of the Armed Forces Retirement Home for the period of active duty to which ordered.''.

(4) Section 690 of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by striking the second sentence and inserting the following: ''The following officers are not counted for the purposes of this subsection:''; and

(ii) by adding at the end the following:

''(1) A retired officer ordered to active duty for a period of 60 days or less.

''(2) A general or flag officer who is assigned as the Director of a facility of the Armed Forces Retirement Home for the period of active duty to which ordered.''; and

(B) in subsection (b), by adding at the end of paragraph (2) the following new subparagraph:

''(E) A general officer or flag officer assigned as the Director of a facility of the Armed Forces Retirement Home for the period of active duty to which ordered.''.

Subtitle E—Other Matters

SEC. 1061. REQUIREMENT TO CONDUCT CERTAIN PREVIOUSLY AUTHORIZED EDUCATIONAL PROGRAMS FOR CHILDREN AND YOUTH.

(a) NATIONAL GUARD CHALLENGE PROGRAM.—Section 509(a) of title 32, United States Code, is amended by striking ''The Secretary of Defense may'' and inserting ''The Secretary of Defense shall''.

(b) STARBASE PROGRAM.—Section 2193b(a) of title 10, United States Code, is amended by

striking ''The Secretary of Defense may'' and inserting ''The Secretary of Defense shall''.

SEC. 1062. AUTHORITY TO ENSURE DEMILITARIZATION OF SIGNIFICANT MILITARY EQUIPMENT FORMERLY OWNED BY THE DEPARTMENT OF DEFENSE.

(a) PROHIBITION.—It is unlawful for any person to possess significant military equipment formerly owned by the Department of Defense unless—

(1) the military equipment has been demilitarized in accordance with standards prescribed by the Secretary of Defense;

(2) the person is in possession of the military equipment for the purpose of demilitarizing the equipment pursuant to a Federal Government contract; or

(3) the person is specifically authorized by law or regulation to possess the military equipment.

(b) REFERRAL TO ATTORNEY GENERAL.—The Secretary of Defense shall notify the Attorney General of any potential violation of subsection (a) of which the Secretary becomes aware.

(c) AUTHORITY TO REQUIRE DEMILITARIZATION.—(1) The Attorney General may require any person who, in violation of subsection (a), is in possession of significant military equipment formerly owned by the Department of Defense—

(A) to demilitarize the equipment;

(B) to have the equipment demilitarized by a third party; or

(C) to return the equipment to the Federal Government for demilitarization.

(2) When the demilitarization of significant military equipment is carried out pursuant to subparagraph (A) or (B) of paragraph (1), an officer or employee of the United States designated by the Attorney General shall have the right to confirm, by inspection or other means authorized by the Attorney General, that the equipment has been demilitarized.

(3) If significant military equipment is not demilitarized or returned to the Federal Government for demilitarization as required under paragraph (1) within a reasonable period after the Attorney General notifies the person in possession of the equipment of the requirement to do so, the Attorney General may request that a court of the United States issue a warrant authorizing the seizure of the military equipment in the same manner as is provided for a search warrant. If the court determines that there is probable cause to believe that the person is in possession of significant military equipment in violation of subsection (a), the court shall issue a warrant authorizing the seizure of such equipment.

(d) DEMILITARIZATION OF EQUIPMENT.—(1) The Attorney General shall transfer any military equipment returned to the Federal Government or seized pursuant to subsection (c) to the Department of Defense for demilitarization.

(2) If the person in possession of significant military equipment obtained the equipment in accordance with any other provision of law, the Secretary of Defense shall bear all costs of transportation and demilitarization of the equipment and shall either—

(A) return the equipment to the person upon completion of the demilitarization; or

(B) reimburse the person for the cost incurred by that person to acquire the equipment if the Secretary determines that the cost to demilitarize and return the property to the person would be prohibitive.

(e) ESTABLISHMENT OF DEMILITARIZATION STANDARDS.—(1) The Secretary of Defense shall prescribe regulations regarding the demilitarization of military equipment.

(2) The regulations shall be designed to ensure that—

(A) the equipment, after demilitarization, does not constitute a significant risk to public safety and does not have—

(i) a significant capability for use as a weapon; or

(ii) a uniquely military capability; and

(B) any person from whom private property is taken for public use under this section receives just compensation for the taking of the property.

(3) The regulations shall, at a minimum, define—

(A) the classes of significant military equipment requiring demilitarization before disposal; and

(B) what constitutes demilitarization for each class of significant military equipment.

(f) DEFINITION OF SIGNIFICANT MILITARY EQUIPMENT.—In this section, the term ''significant military equipment'' means equipment that has a capability described in clause (i) or (ii) of subsection (e)(2) and—

(1) is a defense article listed on the United States Munitions List maintained under section 38 of the Arms Export Control Act (22 U.S.C. 2778) that is designated on that list as significant military equipment; or

(2) is designated by the Secretary of Defense under the regulations prescribed under subsection (e) as being equipment that it is necessary in the interest of public safety to demilitarize before disposal by the United States.

SEC. 1063. CONVEYANCES OF EQUIPMENT AND RELATED MATERIALS LOANED TO STATE AND LOCAL GOVERNMENTS AS ASSISTANCE FOR EMERGENCY RESPONSE TO A USE OR THREATENED USE OF A WEAPON OF MASS DESTRUCTION.

Section 1412(e) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 110 Stat. 2718; 50 U.S.C. 2312(e)) is amended by adding at the end the following new paragraph:

''(5) A conveyance of ownership of United States property to a State or local government, without cost and without regard to subsection (f) and title II of the Federal Property and Administrative Services Act of 1949 (or any other provision of law relating to the disposal of property of the United States), if the property is equipment, or equipment and related materials, that is in the possession of the State or local government on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002 pursuant to a loan of the property as assistance under this section.''.

SEC. 1064. AUTHORITY TO PAY GRATUITY TO MEMBERS OF THE ARMED FORCES AND CIVILIAN EMPLOYEES OF THE UNITED STATES FOR SLAVE LABOR PERFORMED FOR JAPAN DURING WORLD WAR II.

(a) PAYMENT OF GRATUITY AUTHORIZED.—The Secretary of Veterans Affairs may pay a gratuity to a covered veteran or civilian internee, or to the surviving spouse of a covered veteran or civilian internee, in the amount of $20,000.

(b) COVERED VETERAN OR CIVILIAN INTERNEE DEFINED.—In this section, the term ''covered veteran or civilian internee'' means any individual who—

(1) was a member of the Armed Forces, a civilian employee of the United States, or an employee of a contractor of the United States during World War II;

(2) served in or with United States combat forces during World War II;

(3) was captured and held as a prisoner of war or prisoner by Japan in the course of such service; and

(4) was required by the Imperial Government of Japan, or one or more Japanese corporations, to perform slave labor during World War II.

(c) RELATIONSHIP TO OTHER PAYMENTS.—Any amount paid a person under this section for activity described in subsection (b) is in addition to any other amount paid such person for such activity under any other provision of law.

SEC. 1065. RETENTION OF TRAVEL PROMOTIONAL ITEMS.

(a) IN GENERAL.—To the extent provided in subsection (b), a Federal employee, member of the foreign service, member of a uniformed service, any family member or dependent of such an employee or member, or other individual traveling at Government expense who receives a promotional item (including frequent flyer miles, upgrades, or access to carrier clubs or facilities) as a result of using travel or transportation services procured by the United States or accepted under section 1353 of title 31, United States Code, may retain the promotional item for personal use if the promotional item is obtained under the same terms as those offered to the general public and at no additional cost to the Government.

(b) APPLICABILITY TO EXECUTIVE BRANCH ONLY.—Subsection (a)—

(1) applies only to travel that is at the expense of the executive branch; and

(2) does not apply to travel by any officer, employee, or other official of the Government outside the executive branch.

(c) CONFORMING AMENDMENT.—Section 6008 of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 5 U.S.C. 5702 note) is amended by adding at the end the following new subsection:

''(d) INAPPLICABILITY TO EXECUTIVE BRANCH.—The guidelines issued under subsection (a) and the requirement under subsection (b) shall not apply to any agency of the executive branch or to any Federal employee or other personnel in the executive branch.''.

(d) APPLICABILITY.—This section shall apply with respect to promotional items received before, on, or after the date of enactment of this Act.

SEC. 1066. RADIATION EXPOSURE COMPENSATION ACT MANDATORY APPROPRIATIONS.

Section 3(e) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended to read as follows:

''(e) APPROPRIATION.—

''(1) IN GENERAL.—Subject to the limits in paragraph (2), there are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 2002, and each fiscal year thereafter through 2011, such sums as may be necessary to the Fund for the purpose of making payments to eligible beneficiaries under this Act.

''(2) LIMITATION.—Amounts appropriated pursuant to paragraph (1) may not exceed—

''(A) in fiscal year 2002, $172,000,000;

''(B) in fiscal year 2003, $143,000,000;

''(C) in fiscal year 2004, $107,000,000;

''(D) in fiscal year 2005, $65,000,000;

''(E) in fiscal year 2006, $47,000,000;

''(F) in fiscal year 2007, $29,000,000;

''(G) in fiscal year 2008, $29,000,000;

''(H) in fiscal year 2009, $23,000,000;

''(I) in fiscal year 2010, $23,000,000; and

''(J) in fiscal year 2011, $17,000,000.''.

SEC. 1067. LEASING OF NAVY SHIPS FOR UNIVERSITY NATIONAL OCEANOGRAPHIC LABORATORY SYSTEM.

Subsection (g) of section 2667 of title 10, United States Code (section 1061, National Defense Authorization Act, 1998, P.L. 105–85) is amended by adding a new paragraph at the end as follows:

''(3) The requirements of paragraph (1) shall not apply to renewals or extensions of a lease with a selected institution for operation of a ship within the University National Oceanographic Laboratory System, if—

''(A) use of the ship is restricted to federally supported research programs and non-

Federal uses under specific conditions with approval by the Secretary of the Navy;

''(B) because of the anticipated value to the Navy of the oceanographic research and training that will result from the ship's operation, no monetary lease payments are required from the lessee under the initial lease or under any renewals or extensions; and

''(C) the lessee is required to maintain the ship in a good state of repair readiness, and efficient operating conditions, conform to all applicable regulatory requirements, and assume full responsibility for the safety of the ship, its crew, and scientific personnel aboard.''.

SEC. 1068. SMALL BUSINESS PROCUREMENT COMPETITION.

(a) DEFINITION OF COVERED CONTRACTS.—Section 15(e)(4) of the Small Business Act (15 U.S.C. 644(e)(4)) is amended—

(1) by inserting after ''bundled contract'' the following: '', the aggregate dollar value of which is anticipated to be less than $5,000,000, or any contract, whether or not the contract is a bundled contract, the aggregate dollar value of which is anticipated to be $5,000,000 or more'';

(2) by striking ''In the'' and inserting the following:

''(A) IN GENERAL.—In the''; and

(3) by adding at the end the following:

''(B) CONTRACTING GOALS.—

''(i) IN GENERAL.—A contract award under this paragraph to a team that is comprised entirely of small business concerns shall be counted toward the small business contracting goals of the contracting agency, as required by this Act.

''(ii) PREPONDERANCE TEST.—The ownership of the small business that conducts the preponderance of the work in a contract awarded to a team described in clause (i) shall determine the category or type of award for purposes of meeting the contracting goals of the contracting agency.''.

(b) PROPORTIONATE WORK REQUIREMENTS FOR BUNDLED CONTRACTS.—

(1) SECTION 8.—Section 8(a)(14)(A) of the Small Business Act (15 U.S.C. 637(a)(14)(A)) is amended—

(A) in clause (i), by striking ''and'' at the end;

(B) in clause (ii), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(iii) notwithstanding clauses (i) and (ii), in the case of a bundled contract—

''(I) the concern will perform work for at least 33 percent of the aggregate dollar value of the anticipated award;

''(II) no other concern will perform a greater proportion of the work on that contract; and

''(III) no other concern that is not a small business concern will perform work on the contract.''.

(2) QUALIFIED HUBZONE SMALL BUSINESS CONCERNS.—Section 3(p)(5)(A)(i)(III) of the Small Business Act (15 U.S.C. 632(p)(5)(A)(i)(III)) is amended—

(A) in item (bb), by striking ''and'' at the end;

(B) by redesignating item (cc) as item (dd); and

(C) by inserting after item (bb) the following:

''(cc) notwithstanding items (aa) and (bb), in the case of a bundled contract, the concern will perform work for at least 33 percent of the aggregate dollar value of the anticipated award, no other concern will perform a greater proportion of the work on that contract, and no other concern that is not a small business concern will perform work on the contract; and''.

(3) SECTION 15.—Section 15(o)(1) of the Small Business Act (15 U.S.C. 644(o)(1)) is amended—

(A) in subparagraph (A), by striking ''and'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(C) notwithstanding subparagraphs (A) and (B), in the case of a bundled contract—

''(i) the concern will perform work for at least 33 percent of the aggregate dollar value of the anticipated award;

''(ii) no other concern will perform a greater proportion of the work on that contract; and

''(iii) no other concern that is not a small business concern will perform work on the contract.''.

(c) SMALL BUSINESS PROCUREMENT COMPETITION PILOT PROGRAM.—

(1) DEFINITIONS.—In this subsection—

(A) the term ''Administrator'' means the Administrator of the Small Business Administration;

(B) the term ''Federal agency'' has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632);

(C) the term ''Program'' means the Small Business Procurement Competition Program established under paragraph (2);

(D) the term ''small business concern'' has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632); and

(E) the term ''small business-only joint ventures'' means a team described in section 15(e)(4) of the Small Business Act (15 U.S.C. 644(e)(4)) comprised of only small business concerns.

(2) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish in the Small Business Administration a pilot program to be known as the ''Small Business Procurement Competition Program''.

(3) PURPOSES OF PROGRAM.—The purposes of the Program are—

(A) to encourage small business-only joint ventures to compete for contract awards to fulfill the procurement needs of Federal agencies;

(B) to facilitate the formation of joint ventures for procurement purposes among small business concerns;

(C) to engage in outreach to small business-only joint ventures for Federal agency procurement purposes; and

(D) to engage in outreach to the Director of the Office of Small and Disadvantaged Business Utilization and the procurement officer within each Federal agency.

(4) OUTREACH.—Under the Program, the Administrator shall establish procedures to conduct outreach to small business concerns interested in forming small business-only joint ventures for the purpose of fulfilling procurement needs of Federal agencies, subject to the rules of the Administrator, in consultation with the heads of those Federal agencies.

(5) REGULATORY AUTHORITY.—The Administrator shall promulgate such regulations as may be necessary to carry out this subsection.

(6) SMALL BUSINESS ADMINISTRATION DATABASE.—The Administrator shall establish and maintain a permanent database that identifies small business concerns interested in forming small business-only joint ventures, and shall make the database available to each Federal agency and to small business concerns in electronic form to facilitate the formation of small business-only joint ventures.

(7) TERMINATION OF PROGRAM.—The Program (other than the database established under paragraph (6)) shall terminate 3 years after the date of enactment of this Act.

(8) REPORT TO CONGRESS.—Not later than 60 days before the date of termination of the Program, the Administrator shall submit a report to Congress on the results of the Program, together with any recommendations for improvements to the Program and its potential for use Governmentwide.

(9) RELATIONSHIP TO OTHER LAWS.—Nothing in this subsection waives or modifies the applicability of any other provision of law to procurements of any Federal agency in which small business-only joint ventures may participate under the Program.

SEC. 1069. CHEMICAL AND BIOLOGICAL PROTECTIVE EQUIPMENT FOR MILITARY AND CIVILIAN PERSONNEL OF THE DEPARTMENT OF DEFENSE.

(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 Congress a report on the requirements of the Department of Defense, including the reserve components, for chemical and biological protective equipment.

(2) The report shall set forth the following:

(A) A description of any current shortfalls in requirements for chemical and biological protective equipment, whether for individuals or units, for military personnel.

(B) A plan for providing appropriate chemical and biological protective equipment for all military personnel and for all civilian personnel of the Department of Defense.

(C) An assessment of the costs associated with carrying out the plan under subparagraph (B).

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should consider utilizing funds available to the Secretary for chemical and biological defense programs, including funds available for such program under this Act and funds available for such programs under the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, to provide an appropriate level of protection from chemical and biological attack, including protective equipment, for all military personnel and for all civilian personnel of the Department of Defense who are not currently protected from chemical or biological attack.

SEC. 1070. AUTHORIZATION OF THE SALE OF GOODS AND SERVICES BY THE NAVAL MAGAZINE, INDIAN ISLAND.

The Secretary of the Navy may sell to a person outside the Department of Defense articles and services provided by the Naval Magazine, Indian Island facility that are not available from any United States commercial source: *Provided*, That a sale pursuant to this section shall conform to the requirements of section 2563 (c) and (d) of title 10, United States Code: *Provided further*, That the proceeds from the sales of articles and services under this section shall be credited to operation and maintenance funds of the Navy, that are current when the proceeds are received.

SEC. 1071. ASSISTANCE FOR FIREFIGHTERS.

Section 33(e) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229(e)) is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2) $600,000,000 for fiscal year 2002.

''(3) $800,000,000 for fiscal year 2003.

''(4) $1,000,000,000 for fiscal year 2004.''.

SEC. 1072. PLAN TO ENSURE EMBARKATION OF CIVILIAN GUESTS DOES NOT INTERFERE WITH OPERATIONAL READINESS AND SAFE OPERATION OF NAVY VESSELS.

(a) PLAN.—The Secretary of the Navy shall, not later than February 1, 2002, submit to Congress a plan to ensure that the embarkation of selected civilian guests does not interfere with the operational readiness and safe operation of Navy vessels. The plan shall include, at a minimum—

(1) procedures to ensure that guest embarkations are conducted only within the framework of regularly scheduled operations

and that underway operations are not conducted solely to accommodate nonofficial civilian guests,

(2) guidelines for the maximum number of guests that can be embarked on the various classes of Navy vessels,

(3) guidelines and procedures for supervising civilians operating or controlling any equipment on Navy vessels,

(4) guidelines to ensure that proper standard operating procedures are not hindered by activities related to hosting civilians,

(5) any other guidelines or procedures the Secretary shall consider necessary or appropriate.

(b) DEFINITION.—For the purposes of this section, civilian guests are defined as civilians invited to embark on Navy ships solely for the purpose of furthering public awareness of the Navy and its mission. It does not include civilians conducting official business.

SEC. 1073. MODERNIZING AND ENHANCING MISSILE WING HELICOPTER SUPPORT—STUDY AND PLAN.

(a) REPORT AND RECOMMENDATIONS.—With the submission of the fiscal year 2003 budget request, the Secretary of Defense shall provide to the congressional defense committees a report and the Secretary's recommendations on options for providing the helicopter support missions for the ICBM wings at Minot AFB, North Dakota; Malmstrom AFB, Montana; and F.E. Warren AFB, Wyoming, for as long as these missions are required.

(b) OPTIONS.—Options to be reviewed include—

(1) the Air Force's current plan for replacement or modernization of UH–1N helicopters currently flown by the Air Force at the missile wings;

(2) replacement of the UH–1N helicopters currently flown by the Air Force with UH–60 Black Hawk helicopters, the UH–1Y, or another platform;

(3) replacement of UH–1N helicopters with UH–60 helicopters and transition of the mission to the Army National Guard, as detailed in a November 2000 Air Force Space Command/Army National Guard plan, ''ARNG Helicopter Support to Air Force Space Command'';

(4) replacement of UH–1N helicopters with UH–60 helicopters or another platform, and establishment of composite units combining active duty Air Force and Army National Guard personnel; and

(5) other options as the Secretary deems appropriate.

(c) FACTORS.—Factors to be considered in this analysis include—

(1) any implications of transferring the helicopter support missions on the command and control of and responsibility for missile field force protection;

(2) current and future operational requirements, and the capabilities of the UH–1N, the UH–60 or other aircraft to meet them;

(3) cost, with particular attention to opportunities to realize efficiencies over the long run;

(4) implications for personnel training and retention; and

(5) evaluation of the assumptions used in the plan specified in subsection (b)(3).

(d) CONSIDERATION.—The Secretary shall consider carefully the views of the Secretary of the Army, Secretary of the Air Force, Commander in Chief of the United States Strategic Command, and the Chief of the National Guard Bureau.

SEC. 1074. SENSE OF THE SENATE THAT THE SECRETARY OF THE TREASURY SHOULD IMMEDIATELY ISSUE SAVINGS BONDS, TO BE DESIGNATED AS "UNITY BONDS", IN RESPONSE TO THE TERRORIST ATTACKS AGAINST THE UNITED STATES ON SEPTEMBER 11, 2001.

(a) FINDINGS.—The Senate finds that—

(1) a national tragedy occurred on September 11, 2001, whereby enemies of freedom and democracy attacked the United States of America and injured or killed thousands of innocent victims;

(2) the perpetrators of these reprehensible attacks destroyed brick and mortar buildings, but the American spirit and the American people have become stronger as they have united in defense of their country;

(3) the American people have responded with incredible acts of heroism, kindness, and generosity;

(4) the outpouring of volunteers, blood donors, and contributions of food and money demonstrates that America will unite to provide relief to the victims of these cowardly terrorist acts;

(5) the American people stand together to resist all attempts to steal their freedom; and

(6) united, Americans will be victorious over their enemies, whether known or unknown.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Secretary of the Treasury should—

(A) immediately issue savings bonds, to be designated as ''Unity Bonds''; and

(B) report quarterly to Congress on the revenue raised from the sale of Unity Bonds; and

(2) the proceeds from the sale of Unity Bonds should be directed to the purposes of rebuilding America and fighting the war on terrorism.

SEC. 1075. PERSONNEL PAY AND QUALIFICATIONS AUTHORITY FOR DEPARTMENT OF DEFENSE PENTAGON RESERVATION CIVILIAN LAW ENFORCEMENT AND SECURITY FORCE.

Section 2674(b) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before the text in the first paragraph of that subsection;

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

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

''(2) For positions whose permanent duty station is the Pentagon Reservation, the Secretary, in his sole and exclusive discretion, may without regard to the pay provisions of title 5, fix the rates of basic pay for such positions occupied by civilian law enforcement and security personnel appointed under the authority of this section so as to place such personnel on a comparable basis with other similar Federal law enforcement and security organizations within the vicinity of the Pentagon Reservation, not to exceed basic pay for personnel performing similar duties in the Uniformed Division of the Secret Service or the Park Police.

SEC. 1076. WAIVER OF VEHICLE WEIGHT LIMITS DURING PERIODS OF NATIONAL EMERGENCY.

Section 127 of title 23, United States Code, is amended by adding at the end the following:

''(h) WAIVER FOR A ROUTE IN STATE OF MAINE DURING PERIODS OF NATIONAL EMERGENCY.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary, in consultation with the Secretary of Defense, may waive or limit the application of any vehicle weight limit established under this section with respect to the portion of Interstate Route 95 in the State of Maine between Augusta and Bangor for the purpose of making bulk shipments of jet fuel to the Air National Guard Base at Bangor International Airport during a period of national emergency in order to respond to the effects of the national emergency.

''(2) APPLICABILITY.—Emergency limits established under paragraph (1) shall preempt any inconsistent State vehicle weight limits.''.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

Subtitle A—Intelligence Personnel

SEC. 1101. AUTHORITY TO INCREASE MAXIMUM NUMBER OF POSITIONS IN THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.

Section 1606(a) of title 10, United States Code, is amended by striking ''517.'' and inserting the following: ''517, except that the Secretary may increase such maximum number by one position for each Senior Intelligence Service position in the Central Intelligence Agency that is permanently eliminated by the Director of Central Intelligence after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002. In no event may the number of positions in the Defense Intelligence Senior Executive Service exceed 544.''.

SEC. 1102. CONTINUED APPLICABILITY OF CERTAIN CIVIL SERVICE PROTECTIONS FOR EMPLOYEES INTEGRATED INTO THE NATIONAL IMAGERY AND MAPPING AGENCY FROM THE DEFENSE MAPPING AGENCY.

Section 1612(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(4)(A) If not otherwise applicable to an employee described in subparagraph (B), subchapters II and IV of chapter 75 of title 5 shall continue to apply to the employee for as long as the employee serves on and after October 1, 1996, without a break in service, as an employee of the Department of Defense in any position, or successively in two or more positions, in the National Imagery and Mapping Agency.

''(B) This paragraph applies to a person who—

''(i) on September 30, 1996, was employed as an employee of the Department of Defense in a position in the Defense Mapping Agency to whom subchapters II and IV of title 5 applied; and

''(ii) on October 1, 1996, became an employee of the National Imagery and Mapping Agency under paragraph 1601(a) of this title.''.

Subtitle B—Matters Relating to Retirement

SEC. 1111. FEDERAL EMPLOYMENT RETIREMENT CREDIT FOR NONAPPROPRIATED FUND INSTRUMENTALITY SERVICE.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—(1) Section 8332(b) of title 5, United States Code, is amended—

(A) by striking ''and'' at the end of paragraph (15);

(B) by striking the period at the end of paragraph (16) and inserting ''; and'';

(C) by inserting after paragraph (16) the following new paragraph:

''(17) service performed by any individual as an employee of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard described in section 2105(c) of this title that is not covered by paragraph (16), if the individual elects (in accordance with regulations prescribed by the Office) at the time of separation from service to have such service credited under this paragraph.'';

(D) in the last sentence, by inserting ''or (17)'' after ''service of the type described in paragraph (16)''; and

(E) by inserting after the last sentence the following: ''Service credited under paragraph (17) may not also be credited under any other retirement system provided for employees of a nonappropriated fund instrumentality.''.

(2) Section 8334 of such title is amended by adding at the end the following new subsection:

''(o) Notwithstanding subsection (c), no deposit may be made with respect to service credited under section 8332(b)(17) of this title.''.

(3) Section 8339 of such title is amended by adding at the end the following new subsection:

''(u) The annuity of an employee retiring under this subchapter with service credited under section 8332(b)(17) of this title shall be reduced to the maximum amount necessary to ensure that the present value of the annuity payable to the employee is actuarially equivalent to the present value of the annuity that would be payable to the employee under this subchapter if it were computed on the basis of service that does not include service credited under section 8332(b)(17) of this title. The amount of the reduction shall be computed under regulations prescribed by the Office of Personnel Management for the administration of this subsection.''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—(1) Section 8411 of such title is amended—

(A) in subsection (b)—

(i) by striking ''and'' at the end of paragraph (4);

(ii) by striking the period at the end of paragraph (5) and inserting ''; and''; and

(iii) by inserting after paragraph (5) the following new paragraph:

''(6) service performed by any individual as an employee of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard described in section 2105(c) of this title, if the individual elects (in accordance with regulations prescribed by the Office) at the time of separation from service to have such service credited under this paragraph.''; and

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

''(k)(1) The Office of Personnel Management shall accept, for the purposes if this chapter, the certification of the head of a nonappropriated fund instrumentality of the United States concerning service of the type described in subsection (b)(6) that was performed for such nonappropriated fund instrumentality.

''(2) Service credited under subsection (b)(6) may not also be credited under any other retirement system provided for employees of a nonappropriated fund instrumentality.''.

(2)(A) Section 8422 of such title is amended by adding at the end the following new subsection:

''(g) No deposit may be made with respect to service credited under section 8411(b)(6) of this title.''.

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

''§ 8422. Deductions from pay; contributions for other service''.

(C) The item relating to such section in the table of contents at the beginning of chapter 84 of title 5, United States Code, is amended to read as follows:

''8422. Deductions from pay; contributions for other service.''.

(3) Section 8415 of such title is amended by adding at the end the following new subsection:

''(j) The annuity of an employee retiring under this chapter with service credited under section 8411(b)(6) of this title shall be reduced to the maximum amount necessary to ensure that the present value of the annuity payable to the employee under this subchapter is actuarially equivalent to the present value of the annuity that would be payable to the employee under this subchapter if it were computed on the basis of service that does not include service credited under section 8411(b)(6) of this title. The amount of the reduction shall be computed under regulations prescribed by the Office of Personnel Management for the administration of this subsection.''.

(c) APPLICABILITY.—The amendments made by this section shall apply only to separations from service as an employee of the United States on or after the date of the enactment of this Act.

SEC. 1112. IMPROVED PORTABILITY OF RETIREMENT COVERAGE FOR EMPLOYEES MOVING BETWEEN CIVIL SERVICE EMPLOYMENT AND EMPLOYMENT BY NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8347(q) of title 5, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting ''and'' at the end of subparagraph (A);

(B) by striking subparagraph (B); and

(C) by redesignating subparagraph (C) as subparagraph (B); and

(2) in paragraph (2)(B)—

(A) by striking ''vested''; and

(B) by striking '', as the term'' and all that follows through ''such system''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8461(n) of such title is amended—

(1) in paragraph (1)—

(A) by inserting ''and'' at the end of subparagraph (A);

(B) by striking subparagraph (B); and

(C) by redesignating subparagraph (C) as subparagraph (B); and

(2) in paragraph (2)(B)—

(A) by striking ''vested''; and

(B) by striking '', as the term'' and all that follows through ''such system''.

SEC. 1113. REPEAL OF LIMITATIONS ON EXERCISE OF VOLUNTARY SEPARATION INCENTIVE PAY AUTHORITY AND VOLUNTARY EARLY RETIREMENT AUTHORITY.

Section 1153(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–323) is amended—

(1) in paragraph (1), by striking ''Subject to paragraph (2), the'' and inserting ''The'';

(2) by striking paragraph (2); and

(3) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

Subtitle C—Other Matters

SEC. 1121. HOUSING ALLOWANCE FOR THE CHAPLAIN FOR THE CORPS OF CADETS AT THE UNITED STATES MILITARY ACADEMY.

Section 4337 of title 10, United States Code, is amended by striking the second sentence and inserting the following: ''The chaplain is entitled to a housing allowance equal to the basic allowance for housing that is applicable for an officer in pay grade O–5 at the Academy under section 403 of title 37, and to fuel and light for quarters in kind.''.

SEC. 1122. STUDY OF ADEQUACY OF COMPENSATION PROVIDED FOR TEACHERS IN THE DEPARTMENT OF DEFENSE OVERSEAS DEPENDENTS' SCHOOLS.

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the adequacy of the pay and other elements of the compensation provided for teachers in the defense dependents' education system established under the Defense Dependents' Education Act of 1978 (20 U.S.C. 921 et seq.).

(b) SPECIFIC CONSIDERATIONS.—In carrying out the study, the Comptroller General shall consider the following issues:

(1) Whether the compensation is adequate for recruiting and retaining high quality teachers.

(2) Whether any revision of the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 901 et seq) or the regulations under that Act is advisable to address any problems identified with respect to the recruitment and retention of high quality teachers or for other purposes.

(c) REPORT.—The Comptroller General shall submit a report on the results of the study to Congress not later than March 1, 2002. The report shall include the following:

(1) The Comptroller General's conclusions on the issues considered.

(2) Any recommendations for actions that the Comptroller General considers appropriate.

SEC. 1123. PILOT PROGRAM FOR PAYMENT OF RETRAINING EXPENSES INCURRED BY EMPLOYERS OF PERSONS INVOLUNTARILY SEPARATED FROM EMPLOYMENT BY THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—The Secretary of Defense may carry out a pilot program in accordance with this section to facilitate the reemployment of employees of the Department of Defense who are being separated as described in subsection (b) by providing employers outside the Federal Government with retraining incentive payments to encourage those employers to hire, train, and retain such employees.

(b) COVERED EMPLOYEES.—A retraining incentive payment may be made under subsection (c) with respect to a person who—

(1) has been involuntarily separated from employment by the United States due to—

(A) a reduction in force (within the meaning of chapter 35 of title 5, United States Code); or

(B) a relocation resulting from a transfer of function (within the meaning of section 3503 of title 5, United States Code), realignment, or change of duty station; and

(2) when separated—

(A) was employed without time limitation in a position in the Department of Defense;

(B) had been employed in such position or any combination of positions in the Department of Defense for a continuous period of at least one year;

(C) was not a reemployed annuitant under subchapter III of chapter 83 of title 5, United States Code, chapter 84 of such title, or another retirement system for employees of the Federal Government;

(D) was not eligible for an immediate annuity under subchapter III of chapter 83 of title 5, United States Code, or subchapter II of chapter 84 of such title; and

(E) was not eligible for disability retirement under any of the retirement systems referred to in subparagraph (C).

(c) RETRAINING INCENTIVE.—(1) Under the pilot program, the Secretary may pay a retraining incentive to any person outside the Federal Government that, pursuant to an agreement entered into under subsection (d), employs a former employee of the United States referred to in subsection (b).

(2) For employment of a former employee that is continuous for one year, the amount of any retraining incentive paid to the employer under paragraph (1) shall be the lesser of—

(A) the amount equal to the total cost incurred by the employer for any necessary training provided to the former employee in connection with the employment by that employer, as determined by the Secretary taking into consideration a certification by the employer under subsection (d); or

(B) $10,000.

(3) For employment of a former employee that terminates within one year after the

employment begins, the amount of any retraining incentive paid to the employer under paragraph (1) shall be equal to the amount that bears the same ratio to the amount computed under paragraph (2) as the period of continuous employment of the employee by that employer bears to one year.

(4) The cost of the training of a former employee of the United States for which a retraining incentive is paid to an employer under this subsection may include any cost incurred by the employer for training that commenced for the former employee after the former employee, while still employed by the Department of Defense, received a notice of the separation from employment by the United States.

(5) Not more than one retraining incentive may be paid with respect to a former employee under this subsection.

(d) EMPLOYER AGREEMENT.—Under the pilot program, the Secretary shall enter into an agreement with an employer outside the Federal Government that provides for the employer—

(1) to employ a person described in subsection (b) for at least one year for a salary or rate of pay that is mutually agreeable to the employer and such person; and

(2) to certify to the Secretary the cost incurred by the employer for any necessary training provided to such person in connection with the employment of the person by that employer.

(e) NECESSARY TRAINING.—For the purposes of this section, the necessity of training provided a former employee of the Department of Defense shall be determined under regulations prescribed by the Secretary of Defense for the administration of this section.

(f) TERMINATION OF PILOT PROGRAM.—No retraining incentive may be paid under this section for training commenced after September 30, 2005.

SEC. 1124. PARTICIPATION OF PERSONNEL IN TECHNICAL STANDARDS DEVELOPMENT ACTIVITIES.

Subsection (d) of section 12 of the National Technology Transfer and Advancement Act of 1995 (109 Stat. 783; 15 U.S.C. 272 note) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph (4):

''(4) EXPENSES OF GOVERNMENT PERSONNEL.—Section 5946 of title 5, United States Code, shall not apply with respect to any activity of an employee of a Federal agency or department that is determined by the head of that agency or department as being an activity undertaken in carrying out this subsection.''.

SEC. 1125. AUTHORITY TO EXEMPT CERTAIN HEALTH CARE PROFESSIONALS FROM EXAMINATION FOR APPOINTMENT IN THE COMPETITIVE CIVIL SERVICE.

(a) AUTHORITY TO EXEMPT.—Chapter 81 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1599d. Appointment in competitive civil service of certain health care professionals: exemption from examination

''(a) AUTHORITY TO EXEMPT.—The Secretary of Defense may appoint in the competitive civil service without regard to the provisions of subchapter I of chapter 33 of title 5 (other than sections 3303, 3321, and 3328 of such title) an individual who has a recognized degree or certificate from an accredited institution in a covered health-care profession or occupation.

''(b) COVERED HEALTH-CARE PROFESSION OR OCCUPATION.—For purposes of subsection (a), a covered health-care profession or occupation is any of the following:

''(1) Physician.

''(2) Dentist.

''(3) Podiatrist.

''(4) Optometrist.

''(5) Pharmacist.

''(6) Nurse.

''(7) Physician assistant.

''(8) Audiologist.

''(9) Expanded-function dental auxiliary.

''(10) Dental hygienist.

''(c) PREFERENCES IN HIRING.—In using the authority provided by this section, the Secretary shall apply the principles of preference for the hiring of veterans and other persons established in subchapter I of chapter 33 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:

''1599d. Appointment in competitive civil service of certain health care professionals: exemption from examination.''.

SEC. 1126. PROFESSIONAL CREDENTIALS.

(a) IN GENERAL.—Chapter 57 of title 5, United States Code, as amended by this Act, is amended by adding at the end the following:

''§ 5758. Expenses for credentials

''(a) An agency may use appropriated or other available funds to pay for—

''(1) employee credentials, including professional accreditation, State-imposed and professional licenses, and professional certifications; and

''(2) examinations to obtain such credentials.

''(b) No authority under subsection (a) may be exercised on behalf of any employee occupying or seeking to qualify for appointment to any position which is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 57 of title 5, United States Code, is amended by adding at the end the following:

''5758. Expenses for credentials.''.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Cooperative Threat Reduction With States of the Former Soviet Union

SEC. 1201. 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 2002 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 2002 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. 1202. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $403,000,000 authorized to be appropriated to the Department of Defense for fiscal year 2002 in section 301(23) for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $133,405,000.

(2) For strategic nuclear arms elimination in Ukraine, $51,500,000.

(3) For weapons of mass destruction infrastructure elimination in Ukraine, $6,024,000.

(4) For weapons of mass destruction infrastructure elimination in Kazakhstan, $6,000,000.

(5) For weapons transportation security in Russia, $9,500,000.

(6) For weapons storage security in Russia, $56,000,000.

(7) For implementation of a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium at Russian reactors, $41,700,000.

(8) For biological weapons proliferation prevention activities in the former Soviet Union, $17,000,000.

(9) For chemical weapons destruction in Russia, $50,000,000.

(10) For activities designated as Other Assessments/Administrative Support, $13,221,000.

(11) For defense and military contacts, $18,650,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2002 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 2002 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraph (2), 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 2002 for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such 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 the purposes stated in paragraph (7), (10) or (11) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

SEC. 1203. CHEMICAL WEAPONS DESTRUCTION.

Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 794; 22 U.S.C. 5952 note) is amended—

(1) by inserting ''(a) LIMITATION.—'' before ''No fiscal year'';

(2) in subsection (a), as so designated, by inserting before the period at the end the following: ''until the Secretary of Defense submits to Congress a certification that there has been—

''(1) full and accurate disclosure by Russia of the size of its existing chemical weapons stockpile;

''(2) a demonstrated annual commitment by Russia to allocate at least $25,000,000 to chemical weapons elimination;

''(3) development by Russia of a practical plan for destroying its stockpile of nerve agents;

''(4) enactment of a law by Russia that provides for the elimination of all nerve agents at a single site;

''(5) an agreement by Russia to destroy or convert its chemical weapons production facilities at Volgograd and Novocheboksark; and

''(6) a demonstrated commitment from the international community to fund and build infrastructure needed to support and operate the facility.''; and

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

''(b) OMISSION OF CERTAIN INFORMATION.—The Secretary may omit from the certification under subsection (a) the matter specified in paragraph (1) of that subsection, and the certification with the matter so omitted shall be effective for purposes of that subsection, if the Secretary includes with the certification notice to Congress of a determination by the Secretary that it is not in the national security interests of the United States for the matter specified in that paragraph to be included in the certification, together with a justification of the determination.''.

SEC. 1204. MANAGEMENT OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) AUTHORITY OVER MANAGEMENT.—The Secretary of Defense shall have authority, direction, and control over the management of Cooperative Threat Reduction programs and the funds for such programs.

(b) IMPLEMENTING AGENT.—The Defense Threat Reduction Agency shall be the implementing agent of the Department of Defense for the functions of the Department relating to Cooperative Threat Reduction programs.

(c) SPECIFICATION OF FUNDS IN DEPARTMENT OF DEFENSE BUDGET.—The budget justification materials submitted to Congress in support of the budget of the Department of Defense for each fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code) shall include amounts, if any, requested for such fiscal year for Cooperative Threat Reduction programs.

SEC. 1205. ADDITIONAL MATTER IN ANNUAL REPORT ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Section 1308(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (at enacted by Public Law 106–398; 114 Stat. 1654A–341) is amended by adding at the end of the following new paragraph:

''(6) A description of the amount of the financial commitment from the international community, and from Russia, for the chemical weapons destruction facility located at Shchuch'ye, Russia, for the fiscal year beginning in the year in which the report is submitted.''.

Subtitle B—Other Matters

SEC. 1211. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2002—The total amount of the assistance for fiscal year 2002 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 ''2001'' and inserting ''2002''.

SEC. 1212. COOPERATIVE RESEARCH AND DEVELOPMENT PROJECTS WITH NATO AND OTHER COUNTRIES.

(a) ELIGIBILITY OF FRIENDLY FOREIGN COUNTRIES.—Section 2350a of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting ''(1)'' after ''(a) AUTHORITY TO ENGAGE IN COOPERATIVE R&D PROJECTS.—'';

(B) by striking ''major allies of the United States or NATO organizations'' and inserting ''countries or organizations referred to in paragraph (2)''; and

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

''(2) The countries and organizations with which the Secretary may enter into a memorandum of agreement (or other formal agreement) under paragraph (1) are as follows:

''(A) The North Atlantic Treaty Organization.

''(B) A NATO organization.

''(C) A member nation of the North Atlantic Treaty Organization.

''(D) A major non-NATO ally.

''(E) Any other friendly foreign country.'';

(2) in subsection (b), by striking ''its major non-NATO allies'' and inserting ''a country or organization referred to in subsection (a)(2)'';

(3) in subsection (d)—

(A) in paragraph (1), by striking ''the major allies of the United States'' and inserting ''countries and organizations referred to in subsection (a)(2)''; and

(B) in paragraph (2)—

(i) by striking ''major ally of the United States'' and inserting ''country or organization referred to in subsection (a)(2)''; and

(ii) by striking ''ally's'' and inserting ''country's or organization's'';

(4) in subsection (e)(2)—

(A) in subparagraph (A), by striking ''one or more of the major allies of the United States'' and inserting ''any country or organization referred to in subsection (a)(2)'';

(B) in subparagraph (B), by striking ''major allies of the United States or NATO organizations'' and inserting ''countries and organizations referred to in subsection (a)(2)'';

(C) in subparagraph (C), by striking ''major allies of the United States'' and inserting ''countries and organizations referred to in subsection (a)(2)''; and

(D) in subparagraph (D), by striking ''major allies of the United States'' and inserting ''countries and organizations referred to in subsection (a)(2)'';

(5) paragraphs (1)(A) and (4)(A) of subsection (g), by striking ''major allies of the United States and other friendly foreign countries'' and inserting ''countries referred to in subsection (a)(2)''; and

(6) in subsection (i)—

(A) in paragraph (1), by striking ''major allies of the United States or NATO organizations'' and inserting ''countries and organizations referred to in subsection (a)(2)'';

(B) by striking paragraph (2); and

(C) by redesignating paragraph (4) as paragraph (2), and by transferring that paragraph, as so redesignated, within that subsection and inserting the paragraph after paragraph (1).

(b) DELEGATION OF AUTHORITY TO DETERMINE ELIGIBILITY OF PROJECTS.—Subsection (b)(2) of such section is amended by striking ''or the Under Secretary of Defense for Acquisition and Technology'' and inserting ''and to one other official of the Department of Defense''.

(c) REVISION OF REQUIREMENT FOR ANNUAL REPORT ON ELIGIBLE COUNTRIES.—Subsection (f)(2) of such section is amended to read as follows:

''(2) Not later than January 1 of each year, the Secretary of Defense shall submit to the Committees on Armed Services and on Foreign Relations of the Senate and to the Committees on Armed Services and on International Relations of the House of Representatives a report specifying—

''(A) the countries that are eligible to participate in a cooperative project agreement under this section; and

''(B) the criteria used to determine the eligibility of such countries.''.

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

''§ 2350a. Cooperative research and development agreements: NATO and foreign countries''.

(2) The item relating to such section in the table of sections at the beginning of subchapter II of chapter 138 of title 10, United States Code, is amended to read as follows:

''2350a. Cooperative research and development agreements: NATO and foreign countries.''.

SEC. 1213. INTERNATIONAL COOPERATIVE AGREEMENTS ON USE OF RANGES AND OTHER FACILITIES FOR TESTING OF DEFENSE EQUIPMENT.

(a) AUTHORITY.—Chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2350l. Cooperative use of ranges and other facilities for testing of defense equipment: agreements with foreign countries and international organizations

''(a) AUTHORITY.—The Secretary of Defense, with the concurrence of the Secretary of State, may enter into a memorandum of understanding (or other formal agreement) with a foreign country or international organization to provide reciprocal access by the United States and such country or organization to each other's ranges and other facilities for testing of defense equipment.

''(b) PAYMENT OF COSTS.—A memorandum or other agreement entered into under subsection (a) shall include provisions for charging a user of a range or other facility for test and evaluation services furnished by the officers, employees, or governmental agencies of the supplying country or international organization under the memorandum or other agreement. The provisions for charging a user shall conform to the following pricing principles:

''(1) The user shall be charged the amount equal to the direct costs incurred by the country or international organization to supply the services.

''(2) The user may also be charged indirect costs of the use of the range or other facility, but only to the extent specified in the memorandum or other agreement.

''(c) RETENTION OF FUNDS COLLECTED BY THE UNITED STATES.—Amounts collected from the user of a range or other facility of the United States under a memorandum of understanding or other formal agreement entered into under subsection (a) shall be credited to the appropriation from which the costs incurred by the United States in providing support for the use of the range or other facility by that user were paid.

''(d) DELEGATION OF AUTHORITY.—The Secretary of Defense may delegate only to the Deputy Secretary of Defense and to one other official of the Department of Defense authority to determine the appropriateness of the amount of indirect costs charged the United States under a memorandum or other agreement entered into under subsection (a).

''(e) DEFINITIONS.—In this section:

''(1) The term 'direct cost', with respect to testing and evaluation under a memorandum or other agreement entered into under subsection (a)—

''(A) means any item of cost that—

''(i) is easily and readily identified to a specific unit of work or output within the

range or other facility where the testing and evaluation occurred under the memorandum or other agreement; and

''(ii) would not have been incurred if the testing and evaluation had not taken place; and

''(B) may include costs of labor, materials, facilities, utilities, equipment, supplies, and any other resources of the range or other facility that are consumed or damaged in connection with—

''(i) the conduct of the test and evaluation; or

''(ii) the maintenance of the range or other facility for the use of the country or international organization under the memorandum or other agreement.

''(2) The term 'indirect cost', with respect to testing and evaluation under a memorandum or other agreement entered into under subsection (a)—

''(A) means any item of cost that cannot readily be identified directly to a specific unit of work or output; and

''(B) may include general and administrative expenses for such activities as supporting base operations, manufacturing, supervision, procurement of office supplies, and utilities that are accumulated costs allocated among several users.''.

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

''2350l. Cooperative use of ranges and other facilities for testing of defense equipment: agreements with foreign countries and international organizations.''.

SEC. 1214. CLARIFICATION OF AUTHORITY TO FURNISH NUCLEAR TEST MONITORING EQUIPMENT TO FOREIGN GOVERNMENTS.

(a) REDESIGNATION OF EXISTING AUTHORITY.—(1) Section 2555 of title 10, United States Code, as added by section 1203 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–324), is redesignated as section 2565 of that title.

(2) The table of sections at the beginning of chapter 152 of that title is amended by striking the item relating to section 2555, as so added, and inserting the following new item:

''2565. Nuclear test monitoring equipment: furnishing to foreign governments.''.

(b) CLARIFICATION OF AUTHORITY.—Section 2565 of that title, as so redesignated by subsection (a), is further amended—

(1) in subsection (a)—

(A) by striking ''CONVEY OR'' in the subsection heading and inserting ''TRANSFER TITLE TO OR OTHERWISE'';

(B) in paragraph (1)—

(i) by striking ''convey'' and inserting ''transfer title''; and

(ii) by striking ''and'' at the end;

(C) by striking the period at the end of paragraph (2) and inserting ''; and''; and

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

''(3) inspect, test, maintain, repair, or replace any such equipment.''; and

(2) in subsection (b)—

(A) by striking ''conveyed or otherwise provided'' and inserting ''provided to a foreign government'';

(B) by inserting ''and'' at the end of paragraph (1);

(C) by striking ''; and'' at the end of paragraph (2) and inserting a period; and

(D) by striking paragraph (3).

SEC. 1215. PARTICIPATION OF GOVERNMENT CONTRACTORS IN CHEMICAL WEAPONS INSPECTIONS AT UNITED STATES GOVERNMENT FACILITIES UNDER THE CHEMICAL WEAPONS CONVENTION.

(a) AUTHORITY.—Section 303(b)(2) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6723(b)(2)) is amended by inserting after ''designation of employees of the Federal Government'' the following: ''(and, in the case of an inspection of a United States Government facility, the designation of contractor personnel who shall be led by an employee of the Federal Government)''.

(b) CREDENTIALS.—Section 304(c) of such Act (22 U.S.C. 6724(c)) is amended by striking ''Federal government'' and inserting ''Federal Government (and, in the case of an inspection of a United States Government facility, any accompanying contractor personnel)''.

SEC. 1216. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) TRANSFERS BY GRANT.—The President is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) POLAND.—To the Government of Poland, the OLIVER HAZARD PERRY class guided missile frigate WADSWORTH (FFG 9).

(2) TURKEY.—To the Government of Turkey, the KNOX class frigates CAPODANNO (FF 1093), THOMAS C. HART (FF 1092), DONALD B. BEARY (FF 1085), McCANDLESS (FF 1084), REASONER (FF 1063), and BOWEN (FF 1079).

(b) TRANSFERS BY SALE.—The President is authorized to transfer vessels to foreign governments and foreign governmental entities on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) TAIWAN.—To the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act), the KIDD class guided missile destroyers KIDD (DDG 993), CALLAGHAN (DDG 994), SCOTT (DDG 995), and CHANDLER (DDG 996).

(2) TURKEY.—To the Government of Turkey, the OLIVER HAZARD PERRY class guided missile frigates ESTOCIN (FFG 15) and SAMUEL ELIOT MORISON (FFG 13).

(c) ADDITIONAL CONGRESSIONAL NOTIFICATION NOT REQUIRED.—Except as provided in subsection (d), the following provisions do not apply with respect to transfers authorized by this section:

(1) Section 516(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(f)).

(2) Section 524 of the Foreign Operations, Export Financing, and Related Programs Appropriation Act, 2001 (as enacted by Public Law 106–429; 114 Stat. 1900A–30) and any similar successor provision.

(d) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(e) COSTS OF TRANSFERS ON GRANT BASIS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1))) in the case of a transfer authorized to be made on a grant basis under subsection (a).

(f) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(g) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under this section shall expire at the end of the 2-year period beginning on the date of the enactment of this Act.

SEC. 1217. ACQUISITION OF LOGISTICAL SUPPORT FOR SECURITY FORCES.

Section 5 of the Multinational Force and Observers Participation Resolution (22 U.S.C. 3424) is amended by adding at the end the following new subsection:

''(d)(1) The United States may use contractors to provide logistical support to the Multinational Force and Observers under this section in lieu of providing such support through a logistical support unit composed of members of the United States Armed Forces.

''(2) Notwithstanding subsections (a) and (b) and section 7(b), support by a contractor under this subsection may be provided without reimbursement whenever the President determines that such action enhances or supports the national security interests of the United States.''.

SEC. 1218. PERSONAL SERVICES CONTRACTS TO BE PERFORMED BY INDIVIDUALS OR ORGANIZATIONS ABROAD.

Section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669) is amended by adding at the end the following:

''(n) exercise the authority provided in subsection (c), upon the request of the Secretary of Defense or the head of any other department or agency of the United States, to enter into personal service contracts with individuals to perform services in support of the Department of Defense or such other department or agency, as the case may be.''.

SEC. 1219. ALLIED DEFENSE BURDENSHARING.

It is the sense of the Senate that—

(1) the efforts of the President to increase defense burdendsharing by allied and friendly nations deserve strong support;

(2) host nations support agreements with those nations in which United States military personnel are assigned to permanent duty ashore should be negotiated consistent with section 1221(a)(1) of the National Defense Authorization Act for Fiscal Year 1998 (P.L. 105–85) which sets forth a goal of obtaining financial contributions from host nations that amount to 75 percent of the nonpersonnel costs incurred by the United States Government for stationing military personnel in those nations.

SEC. 1220. RELEASE OF RESTRICTION ON USE OF CERTAIN VESSELS PREVIOUSLY AUTHORIZED TO BE SOLD.

Section 3603(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2273) is amended by striking ''for full use as an oiler''.

TITLE XIII—CONTINGENT AUTHORIZATION OF APPROPRIATIONS

SEC. 1301. AUTHORIZATION OF APPROPRIATIONS CONTINGENT ON INCREASED ALLOCATION OF NEW BUDGET AUTHORITY.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, the total amounts authorized to be appropriated under subtitle A of title I, sections 201, 301, and 302,

and division B are authorized to be appropriated in accordance with those provisions without reduction under section 1302 only if—

(1) the Chairman of the Committee on the Budget of the Senate—

(A) determines, for the purposes of section 217(b) of the Concurrent Resolution on the Budget for Fiscal Year 2002, that the appropriation of all of the amounts specified in section 1302 would not, when taken together with all other previously enacted legislation (except for legislation enacted pursuant to section 211 of such concurrent resolution) reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by the concurrent resolution; and

(B) increases the allocation of new budget authority for defense spending in accordance with section 217(a) of the Concurrent Resolution on the Budget for Fiscal Year 2002; or

(2) the Senate—

(A) by a vote of at least three-fifths of the Members of the Senate duly chosen and sworn, waives the point of order under section 302(f) of the Congressional Budget and Impoundment Control Act of 1974 with respect to an appropriation bill or resolution that provides new budget authority for the National Defense major functional category (050) in excess of the amount specified for the defense category in section 203(c)(1)(A) of the Concurrent Resolution on the Budget for Fiscal Year 2002; and

(B) approves the appropriation bill or resolution.

(b) FULL OR PARTIAL AUTHORIZATION.—(1) If the total amount of the new budget authority allocated or available for the National Defense major functional category (050) for fiscal year 2002 is increased as described in subsection (a) by at least $18,448,601,000 over the amount of the new budget authority allocated for that category for fiscal year 2002 by the Concurrent Resolution on the Budget for Fiscal Year 2002, the reductions under section 1302 shall not be made.

(2) If the total amount of new budget authority allocated or available for the National Defense major functional category (050) for fiscal year 2002 is increased as described in subsection (a) by less than $18,448,601,000 over the amount of the new budget authority allocated for that category for fiscal year 2002 by the Concurrent Resolution on the Budget for Fiscal Year 2002, each of the total amounts referred to in section 1302 shall be reduced by a proportionate amount of the difference between $18,448,601,000 and the amount of the increase in the allocated new budget authority.

SEC. 1302. REDUCTIONS.

Until such time as the amount of the new budget authority allocated or available for the National Defense major functional category (050) for fiscal year 2002 is increased as described in section 1301(a), the total amounts authorized to be appropriated by provisions of this Act are reduced as follows:

(1) For the total amount authorized to be appropriated for procurement by subtitle A of title I, the reduction is $2,100,854,000.

(2) For the total amount authorized to be appropriated for research, development, test and evaluation by section 201, the reduction is $3,033,434,000.

(3) For the total amount authorized to be appropriated for operation and maintenance by section 301, the reduction is $8,737,773,000.

(4) For the total amount authorized to be appropriated for working capital and revolving funds by section 302, the reduction is $1,018,394,000.

(5) For the total amount authorized to be appropriated by division B, the reduction is $348,065,000.

SEC. 1303. REFERENCE TO CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

For the purposes of this title, a reference to the Concurrent Resolution on the Budget for Fiscal Year 2002 is a reference to House Concurrent Resolution 83 (107th Congress, 1st session).

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 2002''.

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	$5,150,000
	Fort Rucker	$11,400,000
	Redstone Arsenal	$7,200,000
Alaska	Fort Richardson	$115,000,000
	Fort Wainwright	$27,200,000
Arizona	Fort Huachuca	$6,100,000
Colorado	Fort Carson	$66,000,000
District of Columbia	Fort McNair	$11,600,000
Georgia	Fort Benning	$23,900,000
	Fort Gillem	$34,600,000
	Fort Gordon	$34,000,000
	Fort Stewart/Hunter Army Air Field	$39,800,000
Hawaii	Navy Public Works Center, Pearl Harbor	$11,800,000
	Pohakuloa Training Facility	$6,600,000
	Wheeler Army Air Field	$50,000,000
Illinois	Rock Island Arsenal	$3,500,000
Kansas	Fort Riley	$10,900,000
Kentucky	Fort Campbell	$88,900,000
	Fort Knox	$11,600,000
Louisiana	Fort Polk	$21,200,000
Maryland	Aberdeen Proving Ground	$58,300,000
	Fort Meade	$5,800,000
Missouri	Fort Leonard Wood	$7,850,000
New Jersey	Fort Monmouth	$20,000,000
New Mexico	White Sands Missile Range	$7,600,000
New York	Fort Drum	$37,850,000
North Carolina	Fort Bragg	$21,300,000
	Sunny Point Military Ocean Terminal	$11,400,000
Oklahoma	Fort Sill	$40,100,000
South Carolina	Fort Jackson	$62,000,000
Texas	Fort Hood	$86,200,000
	Fort Sam Houston	$2,250,000
Virginia	Fort Belvoir	$35,950,000
	Fort Eustis	$34,650,000
	Fort Lee	$23,900,000
Washington	Fort Lewis	$238,200,000
	Total:	$1,279,500,000

(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 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
Germany	Area Support Group, Bamberg	$36,000,000
	Area Support Group, Darmstadt	$13,500,000
	Baumholder	$9,000,000
	Hanau	$7,200,000

Army: Outside the United States—Continued

Country	Installation or location	Amount
	Heidelberg	$15,300,000
	Mannheim	$16,000,000
	Wiesbaden Air Base	$26,300,000
Korea	Camp Carroll	$16,593,000
	Camp Casey	$8,500,000
	Camp Hovey	$35,750,000
	Camp Humphreys	$14,500,000
	Camp Jackson	$6,100,000
	Camp Stanley	$28,000,000
Kwajalein	Kwajalein Atoll	$11,000,000
	Total:	$243,743,000

(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	Classified Location	$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) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State or county	Installation or location	Purpose	Amount
Alaska	Fort Wainwright	32 Units	$12,000,000
Arizona	Fort Huachuca	72 Units	$10,800,000
Kansas	Fort Leavenworth	40 Units	$20,000,000
Texas	Fort Bliss	76 Units	$13,600,000
	Fort Sam Houston	80 Units	$11,200,000
Korea	Camp Humphreys	54 Units	$12,800,000
	Total:		$80,400,000

(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 $12,702,000.

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 $220,750,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,068,303,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $1,027,300,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $243,743,000.

(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, $18,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $142,198,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $313,852,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,108,991,000.

(7) For the Homeowners Assistance Program, as authorized by section 2832 of title 10, United States Code, $10,119,000, to remain available until expended.

(8) For the construction of the Cadet Development Center, United States Military Academy, West Point, New York, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182), $37,900,000.

(9) For the construction of a Barracks Complex—Tagaytay Street Phase 2C, Fort Bragg, North Carolina, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 824), $17,500,000.

(10) For the construction of a Barracks Complex—Wilson Street, Phase 1C, Schofield Barracks, Hawaii, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 824), $23,000,000.

(11) For construction of a Basic Combat Training Complex Phase 2, Fort Leonard Wood, Missouri, authorized in 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 by Public Law 106–398); 114 Stat. 1654A–389), $27,000,000.

(12) For the construction of the Battle Simulation Center Phase 2, Fort Drum, New York, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (114 Stat. 1654A–389), $9,000,000.

(13) For the construction of a Barracks Complex—Bunter Road Phase 2, Fort Bragg, North Carolina, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (114 Stat. 1654A–389), $49,000,000.

(14) For the construction of a Barracks Complex—Longstreet Road Phase 2, Fort Bragg, North Carolina, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (114 Stat. 1654A–389), $27,000,000.

(15) For the construction of a Multipurpose Digital Training Range, Fort Hood, Texas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (114 Stat. 1654A–389), $13,000,000.

(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) $52,000,000 (the balance of the amount authorized under section 2101(a) for Barracks Complex D Street Phase at Fort Richardson, Alaska);

(3) $41,000,000 (the balance of the amount authorized under section 2101(a) for Barracks Complex—Nelson Boulevard (Phase I) at Fort Carson, Colorado);

(4) $36,000,000 (the balance of the amount authorized under section 2101(a) for Basic Combat Training Complex (Phase I) at Fort Jackson, South Carolina);

(5) $102,000,000 (the balance of the amount authorized under section 2101(a) for Barracks Complex—17th & B Street (Phase I) at Fort Lewis, Washington); and

(6) $21,500,000 (the balance of the amount authorized under section 2101(a) for Consolidated Logistics Complex (Phase I) at Fort Sill, Oklahoma).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (7) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $3,300,000, which represents savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) MODIFICATION.—The table in 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 by Public Law 106–398); 114 Stat. 1654A–389) is amended—

(1) in the item relating to Fort Leonard Wood, Missouri, by striking ''$65,400,000'' in the amount column and inserting ''$69,800,000'';

(2) in the item relating to Fort Drum, New York, by striking ''$18,000,000'' in the amount column and inserting ''$21,000,000'';

(3) in the item relating to Fort Hood, Texas, by striking ''$36,492,000'' in the amount column and inserting ''$39,492,000''; and

(4) by striking the amount identified as the total in the amount column and inserting ''$626,374,000''.

(b) CONFORMING AMENDMENTS.—Section 2104 of that Act (114 Stat. 1654A–391) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking ''$1,925,344,000'' and inserting ''$1,935,744,000''; and

(2) in subsection (b)—

(A) in paragraph (2), by striking ''$22,600,000'' and inserting ''$27,000,000'';

(B) in paragraph (3), by striking ''$10,000,000'' and inserting ''$13,000,000''; and

(C) in paragraph (6), by striking ''$6,000,000'' and inserting ''$9,000,000''.

TITLE XXII—NAVY

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	$22,570,000
California	Marine Air-Ground Task Force Training Center, Twentynine Palms	$75,125,000
	Marine Corps Air Station, Camp Pendleton	$4,470,000
	Marine Corps Base, Camp Pendleton	$96,490,000
	Naval Air Facility, El Centro	$23,520,000
	Naval Air Station, Lemoore	$10,010,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	$13,730,000
	Naval Amphibious Base, Coronado	$8,610,000
	Naval Construction Battalion Center, Port Hueneme	$12,400,000
	Naval Construction Training Center, Port Hueneme	$3,780,000
	Naval Station, San Diego	$47,240,000
District of Columbia	Naval Air Facility, Washington	$9,810,000
Florida	Naval Air Station, Key West	$11,400,000
	Naval Air Station, Pensacola	$3,700,000
	Naval Air Station, Whiting Field, Milton	$2,140,000
	Naval Station, Mayport	$16,420,000
Hawaii	Marine Corps Base, Kaneohe	$24,920,000
	Naval Magazine, Lualualei	$6,000,000
	Naval Shipyard, Pearl Harbor	$20,000,000
	Naval Station, Pearl Harbor	$54,700,000
	Navy Public Works Center, Pearl Harbor	$16,900,000
Illinois	Naval Training Center, Great Lakes	$82,260,000
Indiana	Naval Surface Warfare Center, Crane	$5,820,000
Maine	Naval Air Station, Brunswick	$67,395,000
	Naval Shipyard, Kittery-Portsmouth	$14,620,000
Maryland	Naval Air Warfare Center, Patuxent River	$2,260,000
	Naval Explosive Ordinance Disposal Technology Center, Indian Head	$1,250,000
Mississippi	Naval Construction Battalion Center, Gulfport	$21,660,000
	Naval Air Station, Meridian	$3,370,000
	Naval Station, Pascagoula	$4,680,000
Missouri	Marine Corp Support Activity, Kansas City	$9,010,000
Nevada	Naval Air Station, Fallon	$6,150,000
New Jersey	Naval Weapons Station, Earle	$4,370,000
North Carolina	Marine Corps Air Station, New River	$4,050,000
	Marine Corps Base, Camp LeJeune	$67,070,000
Rhode Island	Naval Station, Newport	$15,290,000
	Naval Undersea Warfare Center, Newport	$9,370,000
South Carolina	Marine Corps Air Station, Beaufort	$8,020,000
	Marine Corps Recruit Depot, Parris Island	$5,430,000
Tennessee	Naval Support Activity, Millington	$3,900,000
Texas	Naval Air Station, Kingsville	$6,160,000
Virginia	Marine Corps Air Facility, Quantico	$3,790,000
	Marine Corps Combat Development Command, Quantico	$9,390,000
	Naval Station, Norfolk	$139,270,000
Washington	Naval Air Station, Whidbey Island	$7,370,000
	Naval Station, Everett	$6,820,000
	Strategic Weapons Facility, Bangor	$3,900,000
	Total:	$996,610,000

(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
Greece	Naval Support Activity Joint Headquarters Command, Larissa	$12,240,000
	Naval Support Activity, Souda Bay	$3,210,000
Guam	Naval Station, Guam	$9,300,000
	Navy Public Works Center, Guam	$14,800,000
Iceland	Naval Air Station, Keflavik	$2,820,000
Italy	Naval Air Station, Sigonella	$3,060,000
Spain	Naval Station, Rota	$2,240,000
	Total:	$47,670,000

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) 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
Arizona	Marine Corps Air Station, Yuma	51 Units	$9,017,000
California	Marine Air-Ground Task Force Training Center, Twentynine Palms	74 Units	$16,250,000
Hawaii	Marine Corps Base, Kaneohe	172 Units	$55,187,000
	Naval Station, Pearl Harbor	70 Units	$16,827,000
Mississippi	Naval Construction Battalion Center, Gulfport	160 Units	$23,354,000
Italy	Naval Air Station, Sigonella	10 Units	$2,403,000
		Total:	$123,038,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations 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 $6,499,000.

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 $183,054,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,377,634,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $963,370,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $47,670,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $10,546,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $35,752,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $312,591,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $918,095,000.

(6) For replacement of a pier at Naval Station, San Diego, California, authorized in section 2201(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 by Public Law 106–398); 114 Stat. 1654A–395), $17,500,000.

(7) For replacement of Pier Delta at Naval Station, Bremerton, Washington, authorized in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001, $24,460,000.

(8) For construction of the Commander-in-Chief Headquarters, Pacific Command, Camp Smith, Hawaii, authorized in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828), $37,580,000.

(9) For construction of an Advanced Systems Integration Facility, phase 6, at Naval Air Warfare Center, Patuxent River, Maryland, authorized in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,770,000.

(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); and

(2) $33,240,000 (the balance of the amount authorized under section 2201(a) for Pier Replacement (Increment I), Naval Station, Norfolk, Virginia).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $700,000, which represents savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

The table in section 2201(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 by Public Law 106–398); 114 Stat. 1654A–395) is amended—

(1) in the item relating to Naval Shipyard, Bremerton, Puget Sound, Washington, by striking ''$100,740,000'' in the amount column and inserting ''$98,740,000'';

(2) in the item relating to Naval Station, Bremerton, Washington, by striking ''$11,930,000'' in the amount column and inserting ''$1,930,000''; and

(3) by striking the amount identified as the total in the amount column and inserting ''$799,497,000''.

SEC. 2206. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 2000 PROJECT.

(a) MODIFICATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828) is amended—

(1) in the item relating to Camp Smith, Hawaii, by striking ''$86,050,000'' in the amount column and inserting ''$89,050,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$820,230,000''.

(b) CONFORMING AMENDMENT.—Section 2204(b)(3) of that Act (113 Stat. 831) is amended by striking ''$70,180,000'' and inserting ''$73,180,000''.

TITLE XXIII—AIR FORCE

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
Alabama	Maxwell Air Force Base	$34,400,000
Alaska	Eareckson Air Force Base	$4,600,000
	Elmendorf Air Force Base	$32,200,000
Arizona	Davis-Monthan Air Force Base	$17,300,000
Arkansas	Little Rock Air Force Base	$18,100,000
California	Edwards Air Force Base	$16,300,000
	Los Angeles Air Force Base	$23,000,000
	Travis Air Force Base	$16,400,000
	Vandenberg Air Force Base	$11,800,000
Colorado	Buckley Air Force Base	$23,200,000
	Schriever Air Force Base	$19,000,000
	United States Air Force Academy	$25,500,000
Delaware	Dover Air Force Base	$7,300,000
District of Columbia	Bolling Air Force Base	$2,900,000
Florida	Cape Canaveral Air Force Station	$7,800,000
	Eglin Air Force Base	$11,400,000
	Hurlburt Field	$10,400,000
	MacDill Air Force Base	$10,000,000
	Tyndall Air Force Base	$15,050,000
Georgia	Moody Air Force Base	$8,600,000
	Robins Air Force Base	$14,650,000
Idaho	Mountain Home Air Force Base	$14,600,000
Louisiana	Barksdale Air Force Base	$5,000,000
Maryland	Andrews Air Force Base	$19,420,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Massachusetts	Hanscom Air Force Base	$9,400,000
Mississippi	Columbus Air Force Base	$5,000,000
	Keesler Air Force Base	$28,600,000
Montana	Malmstrom Air Force Base	$4,650,000
Nebraska	Offet Air Force Base	$10,400,000
Nevada	Nellis Air Force Base	$31,600,000
New Jersey	McGuire Air Force Base	$36,550,000
New Mexico	Cannon Air Force Base	$9,400,000
	Kirtland Air Force Base	$15,500,000
North Carolina	Pope Air Force Base	$17,800,000
North Dakota	Grand Forks Air Force Base	$7,800,000
Ohio	Wright-Patterson Air Force Base	$24,850,000
Oklahoma	Altus Air Force Base	$20,200,000
	Tinker Air Force Base	$21,400,000
	Vance Air Force Base	$4,800,000
South Carolina	Shaw Air Force Base	$5,800,000
South Dakota	Ellsworth Air Force Base	$12,000,000
Tennessee	Arnold Air Force Base	$24,400,000
Texas	Lackland Air Force Base	$12,800,000
	Laughlin Air Force Base	$12,000,000
	Sheppard Air Force Base	$37,000,000
Utah	Hill Air Force Base	$14,000,000
Virginia	Langley Air Force Base	$47,300,000
Washington	Fairchild Air Force Base	$2,800,000
	McChord Air Force Base	$20,700,000
Wyoming	F.E. Warren Air Force Base	$10,200,000
	Total:	$811,370,000

(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
Germany	Ramstein Air Force Base	$42,900,000
	Spangdahlem Air Base	$8,700,000
Guam	Andersen Air Force Base	$10,150,000
Italy	Aviano Air Base	$11,800,000
Korea	Kunsan Air Base	$12,000,000
	Osan Air Base	$101,142,000
Oman	Masirah Island	$8,000,000
Turkey	Eskisehir	$4,000,000
United Kingdom	Royal Air Force, Lakenheath	$11,300,000
	Royal Air Force, Mildenhall	$22,400,000
Wake Island	Wake Island	$25,000,000
	Total:	$257,392,000

(c) UNSPECIFIED WORLDWIDE.—Using the 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	$4,458,000

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) 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	120 Units	$15,712,000
California	Travis Air Force Base	118 Units	$18,150,000
Colorado	Buckley Air Force Base	55 Units	$11,400,000
Delaware	Dover Air Force Base	120 Units	$18,145,000
District of Columbia	Bolling Air Force Base	136 Units	$16,926,000
Hawaii	Hickam Air Force Base	102 Units	$25,037,000
Louisiana	Barksdale Air Force Base	56 Units	$7,300,000
South Dakota	Ellsworth Air Force Base	78 Units	$13,700,000
Virginia	Langley Air Force Base	4 Units	$1,200,000
Portugal	Lajes Field, Azores	64 Units	$13,230,000
		Total:	$140,800,000

(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 $24,558,000.

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 $375,379,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,587,791,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $816,070,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $257,392,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $4,458,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,250,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $90,419,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $542,381,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $869,121,000.

(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 the total amount authorized to be appropriated under paragraphs (1), (2), and (3) of subsection (a).

(c) ADJUSTMENT.—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 $3,300,000, which represents savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2305. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECT.

The table in section 2302(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 by Public Law 106–398); 114 Stat. 1654A–400) is amended in the item relating to Mountain Home Air Force Base, Idaho, by striking ''119 Units'' in the purpose column and inserting ''46 Units''.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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
Defense Education Activity	Laurel Bay, South Carolina	$12,850,000
	Marine Corps Base, Camp LeJeune, North Carolina	$8,857,000
Defense Logistics Agency	Defense Distribution Depot Tracy, California	$30,000,000
	Defense Distribution Depot, Susquehanna, New Cumberland, Pennsylvania	$19,900,000
	Eielson Air Force Base, Alaska	$8,800,000
	Fort Belvoir, Virginia	$900,000
	Grand Forks Air Force Base, North Dakota	$9,110,000
	Hickam Air Force Base, Hawaii	$29,200,000
	McGuire Air Force Base, New Jersey	$4,400,000
	Minot Air Force Base, North Dakota	$14,000,000
	Philadelphia, Pennsylvania	$2,429,000
	Pope Air Force Base, North Carolina	$3,400,000
Special Operations Command	Aberdeen Proving Ground, Maryland	$3,200,000
	Fort Benning, Georgia	$5,100,000
	Fort Bragg, North Carolina	$33,562,000
	Fort Lewis, Washington	$6,900,000
	Hurlburt Field, Florida	$13,400,000
	MacDill Air Force Base, Florida	$12,000,000
	Naval Station, San Diego, California	$13,650,000
	CONUS Classified	$2,400,000
TRICARE Management Activity	Andrews Air Force Base, Maryland	$10,250,000
	Dyess Air Force Base, Texas	$3,300,000
	F.E. Warren Air Force Base, Wyoming	$2,700,000
	Fort Hood, Texas	$12,200,000
	Fort Stewart/Hunter Army Air Field, Georgia	$11,000,000
	Holloman Air Force Base, New Mexico	$5,700,000
	Hurlburt Field, Florida	$8,800,000
	Marine Corps Base, Camp Pendleton, California	$15,300,000
	Marine Corps Logistics Base, Albany, Georgia	$5,800,000
	Naval Air Station, Whidbey Island, Washington	$6,600,000
	Naval Hospital, Twentynine Palms, California	$1,600,000
	Naval Station, Mayport, Florida	$24,000,000
	Naval Station, Norfolk, Virginia	$21,000,000
	Schriever Air Force Base, Colorado	$4,000,000
Washington Headquarters Services	Pentagon Reservation, Virginia	$25,000,000
	Total:	$391,308,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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 Education Activity	Aviano Air Base, Italy	$3,647,000
	Geilenkirchen, Germany	$1,733,000
	Heidelberg, Germany	$3,312,000
	Kaiserslautern, Germany	$1,439,000
	Kitzingen, Germany	$1,394,000
	Landstuhl, Germany	$1,444,000
	Ramstein Air Base, Germany	$2,814,000
	Royal Air Force, Feltwell, United Kingdom	$22,132,000
	Vogelweh Annex, Germany	$1,558,000
	Wiesbaden Air Base, Germany	$1,378,000
	Wuerzburg, Germany	$2,684,000
Defense Logistics Agency	Andersen Air Force Base, Guam	$20,000,000
	Camp Casey, Korea	$5,500,000
	Naval Station, Rota, Spain	$3,000,000
	Yokota Air Base, Japan	$13,000,000
Office of Secretary of Defense	Comalapa Air Base, El Salvador	$12,577,000
TRICARE Management Activity	Heidelberg, Germany	$28,000,000
	Lajes Field, Azores, Portugal	$3,750,000
	Thule, Greenland	$10,800,000
	Total:	$140,162,000

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(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 $35,600,000.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, 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 $1,492,956,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $391,308,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $140,162,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $24,492,000.

(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, $87,382,000.

(6) For energy conservation projects authorized by section 2402 of this Act, $35,600,000.

(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), $592,200,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, $250,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $43,762,000 of which not more than $37,298,000 may be obligated or expended for the leasing of military family housing units worldwide.

(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 construction of the Ammunition Demilitarization Facility Phase 6, Pine Bluff Arsenal, Arkansas, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 538), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), and section 2408 of this Act, $26,000,000.

(10) For construction of the Ammunition Demilitarization Facility Phase 3, Pueblo Army Depot, Colorado, authorized 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), $11,000,000.

(11) For construction of the Ammunition Demilitarization Facility Phase 4, Newport Army Depot, Indiana, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2193), $66,000,000.

(12) For construction of the Ammunition Demilitarization Facility phase 4, Aberdeen Proving Ground, Maryland, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (112 Stat. 2193), as amended by section 2407 of this Act, $66,500,000.

(13) For construction of the Ammunition Demilitarization Facility Phase 2, Blue Grass Army Depot, Kentucky, authorized 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 2406 of this Act, $3,000,000.

(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 2401 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (8) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $1,700,000, which represents savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2404. CANCELLATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) CANCELLATION OF PROJECTS AT CAMP PENDLETON, CALIFORNIA.—(1) The table in section 2401(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 by Public Law 106–398); 114 Stat. 1654A–402) is amended—

(A) by striking the item relating to Marine Corps Base, Camp Pendleton, California, under the heading TRICARE Management Activity; and

(B) by striking the amount identified as the total in the amount column and inserting ''$242,756,000''.

(2) Of the amount authorized to be appropriated by section 2403(a) of that Act (114 Stat. 1654A–404), and paragraph (1) of that section, $14,150,000 shall be available for purposes relating to construction of the Portsmouth Naval Hospital, Virginia, as authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189). Such amount is the amount authorized to be appropriated by section 2403(a) of the Military Construction Authorization Act for Fiscal Year 2001 for purposes authorized in section 2401(a) of that Act relating to Marine Corps Base, Camp Pendleton, California.

(b) CONFORMING AMENDMENTS.—Section 2403(a) of that Act is amended—

(1) in the matter preceding paragraph (1), by striking ''$1,883,902,000'' and inserting ''$1,828,902,000''; and

(2) in paragraph (3), by striking ''$85,095,000'' and inserting ''$30,095,000''.

SEC. 2405. CANCELLATION OF AUTHORITY TO CARRY OUT ADDITIONAL FISCAL YEAR 2001 PROJECT.

(a) CANCELLATION OF AUTHORITY.—Section 2401(c) 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 by Public Law 106–398); 114 Stat. 1654A–404) is amended by striking ''$451,135,000'' and inserting ''$30,095,000''.

(b) CONFORMING AMENDMENTS.—Section 2403 of that Act is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''$1,883,902,000'' and inserting ''$1,828,902,000''; and

(B) in paragraph (3), by striking ''$85,095,000'' and inserting ''$30,095,000''; and

(2) in subsection (b), by striking ''may not exceed—'' and all that follows through the end of the subsection and inserting ''may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).''.

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(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) is amended—

(1) in the item under the heading Chemical Demilitarization relating to Blue Grass Army Depot, Kentucky, by striking ''$206,800,000'' and inserting ''$254,030,000'';

(2) under the heading relating to TRICARE Management Agency—

(A) in the item relating to Fort Wainwright, Alaska, by striking ''$133,000,000'' and inserting ''$215,000,000''; and

(B) by striking the item relating to Naval Air Station, Whidbey Island, Washington; and

(3) by striking the amount identified as the total in the amount column and inserting ''$711,950,000''.

(b) CONFORMING AMENDMENTS.—Section 2405(b) of that Act (113 Stat. 839) is amended—

(1) in paragraph (2), by striking ''$115,000,000'' and inserting ''$197,000,000''; and

(2) in paragraph (3), by striking ''$184,000,000'' and inserting ''$231,230,000''.

(c) TREATMENT OF AUTHORIZATION OF APPROPRIATIONS FOR CANCELED PROJECT.—Of the amount authorized to be appropriated by section 2405(a) of that Act (113 Stat. 837), and paragraph (1) of that section, $4,700,000 shall be available for purposes relating to construction of the Portsmouth Naval Hospital, Virginia, as authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189). Such amount is the amount authorized to be appropriated by section 2405(a) of the Military Construction Authorization Act for Fiscal Year 2000 for purposes authorized in section 2401(a) of that Act relating to Naval Air Station, Whidbey Island, Washington.

SEC. 2407. 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) is amended—

(1) in the item under the agency heading Chemical Demilitarization relating to Aberdeen Proving Ground, Maryland, by striking ''$186,350,000'' in the amount column and inserting ''$223,950,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$727,616,000''.

(b) CONFORMING AMENDMENT.—Section 2404(b)(3) of that Act (112 Stat. 2196) is amended by striking ''$158,000,000'' and inserting ''$195,600,000''.

SEC. 2408. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1995 PROJECT.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law

104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), is further amended under the agency heading relating to Chemical Weapons and Munitions Destruction in the item relating to Pine Bluff Arsenal, Arkansas, by striking ''$154,400,000'' in the amount column and inserting ''$177,400,000''.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, 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 $162,600,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 2001, 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, $365,240,000; and

(B) for the Army Reserve, $111,404,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $33,641,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $227,232,000; and

(B) for the Air Force Reserve, $53,732,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

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, 2004; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005.

(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, 2004; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2005 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 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 tables in subsection (b), as provided in section 2302 or 2601 of that Act, shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are 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).	$8,998,000
Florida	Patrick Air Force Base	Replace Family Housing (46 units).	$9,692,000
New Mexico	Kirtland Air Force Base	Replace Family Housing (37 units).	$6,400,000
Ohio	Wright-Patterson Air Force Base	Replace Family Housing (40 units).	$5,600,000

Army National Guard: Extension of 1999 Project Authorizations

State	Installation or location	Project	Amount
Massachusetts	Westfield	Army Aviation Support Facility.	$9,274,000
South Carolina	Spartanburg	Readiness Center	$5,260,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1998 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1984), authorizations set forth in the tables in subsection (b), as provided in section 2102, 2202, or 2302 of that Act and extended by section 2702 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 by Public Law 106–398; 114 Stat. 1654A–408)), shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1998 Project Authorization

State	Installation or location	Project	Amount
Maryland	Fort Meade	Family Housing Construction (56 units).	$7,900,000

Navy: Extension of 1998 Project Authorizations

State	Installation or location	Project	Amount
California	Naval Complex, San Diego	Replacement Family Housing Construction (94 units).	$13,500,000
California	Marine Corps Air Station, Miramar	Family Housing Construction (166 units).	$28,881,000
Louisiana	Naval Complex, New Orleans	Replacement Family Housing Construction (100 units).	$11,930,000
Texas	Naval Air Station, Corpus Christi	Family Housing Construction (212 units).	$22,250,000

Air Force: Extension of 1998 Project Authorization

State	Installation or location	Project	Amount
New Mexico	Kirtland Air Force Base	Replace Family Housing (180 units).	$20,900,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 2001; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. INCREASE IN THRESHOLDS FOR CERTAIN UNSPECIFIED MINOR MILITARY CONSTRUCTION PROJECTS.

(a) PROJECTS REQUIRING ADVANCE APPROVAL OF SECRETARY CONCERNED.—Subsection (b)(1) of section 2805 of title 10, United States Code, amended by striking ''$500,000'' and inserting ''$750,000''.

(b) PROJECTS USING AMOUNTS FOR OPERATION AND MAINTENANCE.—Subsection (c)(1) of that section is amended—

(1) in subparagraph (A), by striking ''$1,000,000'' and inserting ''$1,500,000''; and

(2) in subparagraph (B), by striking ''$500,000'' and inserting ''$750,000''.

SEC. 2802. UNFORESEEN ENVIRONMENTAL HAZARD REMEDIATION AS BASIS FOR AUTHORIZED COST VARIATIONS FOR MILITARY CONSTRUCTION AND FAMILY HOUSING CONSTRUCTION PROJECTS.

Subsection (d) of section 2853 of title 10, United States Code, is amended to read as follows:

''(d) The limitation on cost increases in subsection (a) does not apply to the following:

''(1) The settlement of a contractor claim under a contract.

''(2) The cost of any environmental hazard remediation required by law, including asbestos removal, radon abatement, and lead-based paint removal or abatement, if such remediation could not have reasonably been anticipated at the time the project was approved originally by Congress.''.

SEC. 2803. REPEAL OF REQUIREMENT FOR ANNUAL REPORTS TO CONGRESS ON MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING ACTIVITIES.

(a) REPEAL.—Section 2861 of title 10, United States Code is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter III of chapter 169 of such title is amended by striking the item relating to section 2861.

SEC. 2804. AUTHORITY AVAILABLE FOR LEASE OF PROPERTY AND FACILITIES UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) LEASE AUTHORITIES AVAILABLE.—Section 2878 of title 10, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

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

''(c) LEASE AUTHORITIES AVAILABLE.—(1) The Secretary concerned may use any authority or combination of authorities available under section 2667 of this title in leasing property or facilities under this section to the extent such property or facilities, as the case may be, are described by subsection (a)(1) of such section 2667.

''(2) The limitation in subsection (b)(1) of section 2667 of this title shall not apply with respect to a lease of property or facilities under this section.''.

(b) CONFORMING AMENDMENT.—Subsection (e) of that section, as redesignated by subsection (a) of this section, is further amended—

(1) by striking paragraph (1); and

(2) by redesignated paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(c) TECHNICAL AMENDMENT.—Paragraph (3) of subsection (e) of that section, as redesignated by this section, is further amended by striking ''Stewart B. McKinney Homeless Assistance Act'' and inserting ''McKinney–Vento Homeless Assistance Act''.

SEC. 2805. FUNDS FOR HOUSING ALLOWANCES OF MEMBERS ASSIGNED TO MILITARY FAMILY HOUSING UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) IN GENERAL.—Subchapter IV of chapter 169 of title 10, United States Code, is amended by inserting after section 2883 the following new section:

''§ 2883a. Funds for housing allowances of members of the armed forces assigned to certain military family housing units

''To the extent provided in advance in appropriations Acts, the Secretary of Defense may, during the fiscal year in which a contract is awarded for the acquisition or construction of military family housing units under this subchapter that are not to be owned by the United States, transfer from appropriations available for support of military housing for the armed force concerned for that fiscal year to appropriations available for pay and allowances of military personnel of that armed force for that fiscal year amounts equal to any additional amounts payable during that fiscal year to members of that armed force assigned to such housing units as basic allowance for housing under section 403 of title 37 that would not otherwise have been payable to such members if not for assignment to such housing units.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that subchapter is amended by inserting after the item relating to section 2883 the following new item:

''2883a. Funds for housing allowances of members of the armed forces assigned to certain military family housing units.''.

SEC. 2806. AMENDMENT OF FEDERAL ACQUISITION REGULATION TO TREAT FINANCING COSTS AS ALLOWABLE EXPENSES UNDER CONTRACTS FOR UTILITY SERVICES FROM UTILITY SYSTEMS CONVEYED UNDER PRIVATIZATION INITIATIVE.

(a) DETERMINATION OF ADVISABILITY OF AMENDMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall determine whether or not it is advisable to modify the Federal Acquisition Regulation in order to provide that a contract for utility services from a utility system conveyed under section 2688(a) of title 10, United States Code, may include terms and conditions that recognize financing costs, such as return on equity and interest on debt, as an allowable expense when incurred by the conveyee of the utility system to acquire, operate, renovate, replace, upgrade, repair, and expand the utility system.

(b) REPORT.—If as of the date that is 180 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council has not modified the Federal Acquisition Regulation to provide that a contract described in subsection (a) may include terms and conditions described in that subsection, or otherwise taken action to provide that a contract referred to in that subsection may include terms and conditions described in that subsection, the Secretary shall submit to Congress on that date a report setting forth a justification for the failure to take such actions.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. AVAILABILITY OF PROCEEDS OF SALES OF DEPARTMENT OF DEFENSE PROPERTY FROM CLOSED MILITARY INSTALLATIONS.

Section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)) is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

''(A) In the case of property located at a military installation that is closed, such amount shall be available for facility maintenance and repair or environmental restoration by the military department that had jurisdiction over such property before the closure of the military installation.

''(B) In the case of property located at any other military installation—

''(i) 50 percent of such amount shall be available for facility maintenance and repair or environmental restoration at the military installation where such property was located before it was disposed of or transferred; and

''(ii) 50 percent of such amount shall be available for facility maintenance and repair and for environmental restoration by the military department that had jurisdiction over such property before it was disposed of or transferred.''.

SEC. 2812. PILOT EFFICIENT FACILITIES INITIATIVE.

(a) INITIATIVE AUTHORIZED.—The Secretary of Defense may carry out a pilot program for purposes of determining the potential for increasing the efficiency and effectiveness of the operation of military installations. The pilot program shall be known as the ''Pilot Efficient Facilities Initiative'' (in this section referred to as the ''Initiative'').

(b) DESIGNATION OF PARTICIPATING FACILITIES.—(1) The Secretary may designate up to two installations of each military department for participation in the Initiative.

(2) The Secretary shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a written notification of each installation proposed to be included in the Initiative not less than 30 days before taking any action to carry out the Initiative at such installation.

(3) The Secretary shall include in the notification regarding an installation designated for participation in the Initiative a management plan for the Initiative at the installation. Each management plan for an installation shall include the following:

(A) A description of—

(i) each proposed lease of real or personal property located at the installation;

(ii) each proposed disposal of real or personal property located at the installation;

(iii) each proposed leaseback of real or personal property leased or disposed of at the installation;

(iv) each proposed conversion of services at the installation from Federal Government performance to non-Federal Government performance, including performance by contract with a State or local government or

private entity or performance as consideration for the lease or disposal of property at the installation; and

(v) each other action proposed to be taken to improve mission effectiveness and reduce the cost of providing quality installation support at the installation.

(B) With respect to each proposed action described under subparagraph (A)—

(i) an estimate of the savings expected to be achieved as a result of the action;

(ii) each regulation not required by statute that is proposed to be waived to implement the action; and

(iii) each statute or regulation required by statute that is proposed to be waived to implement the action, including—

(I) an explanation of the reasons for the proposed waiver; and

(II) a description of the action to be taken to protect the public interests served by the statute or regulation, as the case may be, proposed to be waived in the event of the waiver.

(C) A description of the steps taken by the Secretary to consult with employees at the facility, and communities in the vicinity of the facility, regarding the Initiative at the installation.

(D) Measurable criteria for the evaluation of the effects of the actions to be taken pursuant to the Initiative at the installation.

(c) WAIVER OF STATUTORY REQUIREMENTS.—The Secretary of Defense may waive any statute or regulation required by statute for purposes of carrying out the Initiative only if specific authority for the waiver of such statute or regulation is provided in an Act that is enacted after the date of the enactment of this Act.

(d) INSTALLATION EFFICIENCY PROJECT FUND.—(1) There is established on the books of the Treasury a fund to be known as the ''Installation Efficiency Project Fund'' (in this subsection referred to as the ''Fund'').

(2) There shall be deposited in the Fund all cash rents, payments, reimbursements, proceeds and other amounts from leases, sales, or other conveyances or transfers, joint activities, and other actions taken under the Initiative.

(3) To the extent provided in advance in authorization Acts and appropriations Acts, amounts in the Fund shall be available to the Secretary concerned for purposes of managing capital assets and providing support services at installations participating in the Initiative. Amounts in the Fund may be used for such purposes in addition to, or in combination with, other amounts authorized to appropriated for such purposes. Amounts in the Fund shall be available for such purposes for five years.

(4) Subject to applicable financial management regulations, the Secretary of Defense shall structure the Fund, and provide administrative policies and procedures, in order provide proper control of deposits in and disbursements from the Fund.

(e) TERMINATION.—The authority of the Secretary to carry out the Initiative shall terminate four years after the date of the enactment of this Act.

(f) REPORT.—Not later than three years after the date of the enactment of this Act, the Secretary shall submit to the committees of Congress referred to in subsection (b)(2) a report on the Initiative. The report shall contain a description of the actions taken under the Initiative and include such other information, including recommendations, as the Secretary considers appropriate in light of the Initiative.

SEC. 2813. DEMONSTRATION PROGRAM ON REDUCTION IN LONG-TERM FACILITY MAINTENANCE COSTS.

(a) AUTHORITY TO CARRY OUT PROGRAM.—Subject to the provisions of this section, the Secretary of the Army may conduct a demonstration program to assess the feasibility and desirability of including facility maintenance requirements in construction contracts for military construction projects. The purpose of the demonstration program is to determine whether or not such requirements facilitate reductions in the long-term facility maintenance costs of the military departments.

(b) CONTRACTS.—(1) The demonstration program shall cover contracts entered into on or after the date of the enactment of this Act.

(2) Not more than three contracts entered into in any year may contain requirements referred to in subsection (a) for the purpose of the demonstration program.

(c) EFFECTIVE PERIOD OF REQUIREMENTS.—The effective period of a requirement referred to in subsection (a) that is included in a contract for the purpose of the demonstration program shall be any period elected by the Secretary not in excess of five years.

(d) REPORTS.—(1) Not later than January 31, 2003, and annually thereafter until the year following the cessation of effectiveness of any requirements referred to in subsection (a) in contracts under the demonstration program, the Secretary shall submit to the congressional defense committees a report on the demonstration program.

(2) Each report under paragraph (1) shall include, for the year covered by such report, the following:

(A) A description of the contracts entered into during the year that contain requirements referred to in subsection (a) for the purpose of the demonstration program.

(B) The experience of the Secretary during the year with respect to any contracts containing requirements referred to in subsection (a) for the purpose of the demonstration program that were in force during the year.

(3) The final report under this subsection shall include, in addition to the matters required under paragraph (2), an evaluation of the demonstration program and any recommendations, including recommendations for the termination, continuation, or expansion of the demonstration program, that the Secretary considers appropriate.

(e) EXPIRATION.—The authority under subsection (a) to include requirements referred to in that subsection in contracts under the demonstration program shall expire on September 30, 2006.

(f) FUNDING.—Amounts authorized to be appropriated for the Army for a fiscal year for military construction shall be available for the demonstration program under this section in such fiscal year.

Subtitle C—Land Conveyances

SEC. 2821. LAND CONVEYANCE, ENGINEER PROVING GROUND, FORT BELVOIR, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Commonwealth of Virginia (in this section referred to as the ''Commonwealth'') all right, title, and interest of United States in and to two parcels of real property, including any improvements thereon, located at the Engineer Proving Ground, Fort Belvoir, Virginia, as follows:

(1) The parcel, consisting of approximately 170 acres, that is to be used for a portion of the Fairfax County Parkway, including for construction of that portion of the parkway.

(2) The parcel, consisting of approximately 11.45 acres, that is subject to an easement previously granted to the Commonwealth as Army easement DACA 31–3–96–440 for the construction of a portion of Interstate Highway 95.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Commonwealth shall—

(1) design and construct, at its expense and for public benefit, the portion of the Fairfax County Parkway through the Engineer Proving Ground;

(2) provide a conceptual design for eventual incorporation and construction by others of access into the Engineer Proving Ground at the Rolling Road Interchange from Fairfax County Parkway as specified in Virginia Department of Transportation Project #R000–029–249, C514;

(3) provide such easements or rights of way for utilities under or across the Fairfax County Parkway as the Secretary considers appropriate for the optimum development of the Engineer Proving Ground; and

(4) pay the United States an amount, jointly determined by the Secretary and the Commonwealth, appropriate to cover the costs of constructing a replacement building for building 5089 located on the Engineer Proving Ground.

(c) RESPONSIBILITY FOR ENVIRONMENTAL CLEANUP.—The Secretary shall retain liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), and any other applicable environmental statute or regulation, for any environmental hazard on the property conveyed under subsection (a) as of the date of the conveyance under that subsection.

(d) ACCEPTANCE AND DISPOSITION OF FUNDS.—(1) The Secretary of the Army may accept the funds paid by the Commonwealth as consideration under subsection (b)(4) and shall credit the accepted funds to the appropriation or appropriations that are appropriate for paying the costs of the replacement of Building 5089, located on the Engineer Proving Ground, Fort Belvoir, Virginia, consistent with paragraphs (2) and (3) of this subsection.

(2) Funds accepted under paragraph (1) shall be available, until expended, for the replacement of Building 5089.

(3) Funds appropriated pursuant to the authorization of appropriations in section 301(1), and funds appropriated pursuant to the authorization of appropriations in section 2104(a)(4), shall be available in accordance with section 2805 of title 10, United States Code, for the excess, if any, of the cost of the replacement of Building 5089 over the amount available for such project under paragraph (2).

(e) DESCRIPTION OF PROPERTY.—(1) The exact acreage and legal description of the real property to be conveyed under subsection (a)(1) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Commonwealth.

(2) The exact acreage and legal description of the real property to be conveyed under subsection (a)(2) are as set forth in Army easement DACA 31–3–96–440.

(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. 2822. MODIFICATION OF AUTHORITY FOR CONVEYANCE OF NAVAL COMPUTER AND TELECOMMUNICATIONS STATION, CUTLER, MAINE.

Section 2853(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 by Public Law 106–398); 114 Stat. 1654A–430) is amended by inserting ''any or'' before ''all right''.

SEC. 2823. LAND TRANSFER AND CONVEYANCE, NAVAL SECURITY GROUP ACTIVITY, WINTER HARBOR, MAINE.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION.—(1) The Secretary of the Navy may

transfer to the Secretary of the Interior administrative jurisdiction of a parcel of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 26 acres as generally depicted as Tract 15–116 on the map entitled ''Acadia National Park Schoodic Point Area'', numbered 123/80,418 and dated May 2001. The map shall be on file and available for inspection in the appropriate offices of the National Park Service.

(2) The transfer authorized by this subsection shall occur, if at all, concurrently with the reversion of administrative jurisdiction of a parcel of real property consisting of approximately 71 acres, as depicted as Tract 15–115 on the map referred to in paragraph (1), from the Secretary of the Navy to the Secretary of the Interior as authorized by Public Law 80–260 (61 Stat. 519) and to be executed on or about June 30, 2002.

(b) CONVEYANCE AUTHORIZED.—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 any of the parcels of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 485 acres and comprising the former facilities of the Naval Security Group Activity, Winter Harbor, Maine, located in Hancock County, Maine, less the real property described in subsection (a)(1), for the purpose of economic redevelopment.

(c) TRANSFER OF PERSONAL PROPERTY.—The Secretary of the Navy may transfer, without consideration, to the Secretary of the Interior in the case of the real property transferred under subsection (a), or to any recipient of such real property in the case of real property conveyed under subsection (b), any or all personal property associated with such real property so transferred or conveyed, including any personal property required to continue the maintenance of the infrastructure of such real property (including the generators for an uninterrupted power supply in building 154 at the Corea site).

(d) MAINTENANCE OF PROPERTY PENDING CONVEYANCE.—(1) The Secretary of the Navy shall maintain any real property, including any improvements thereon, appurtenances thereto, and supporting infrastructure, to be conveyed under subsection (b) in accordance with the protection and maintenance standards specified in section 101–47.4913 of title 41, Code of Federal Regulations, until the earlier of—

(A) the date of the conveyance of such real property under subsection (b); or

(B) September 30, 2003.

(2) The requirement in paragraph (1) shall not be construed as authority to improve the real property, improvements, and infrastructure referred to in that paragraph so as to bring such real property, improvements, or infrastructure into compliance with any zoning or property maintenance codes or to repair any damage to such improvements and infrastructure through an Act of God.

(e) INTERIM LEASE.—(1) Until such time as any parcel of real property to be conveyed under subsection (b) is conveyed by deed under that subsection, the Secretary of the Navy may lease such parcel to any person or entity determined by the Secretary to be an appropriate lessee of such parcel.

(2) The amount of rent for a lease under paragraph (1) shall be the amount determined by the Secretary to be appropriate, and may be an amount less than the fair market value of the lease.

(3) Notwithstanding any other provision of law, the Secretary shall credit any amount received for a lease of real property under paragraph (1) to the appropriation or account providing funds for the operation and maintenance of such property or for the procurement of utility services for such property. Amounts so credited shall be merged with funds in the appropriation or account to which credited, and shall be available for the same purposes, and subject to the same conditions and limitations, as the funds with which merged.

(f) REIMBURSEMENT FOR ENVIRONMENTAL AND OTHER ASSESSMENTS.—(1) The Secretary of the Navy may require each recipient of real property conveyed under subsection (b) to reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis carried out by the Secretary with respect to such property before completing the conveyance under that subsection.

(2) The amount of any reimbursement required under paragraph (1) shall be determined by the Secretary, but may not exceed the cost of the assessment, study, or analysis for which reimbursement is required.

(3) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property transferred under subsection (a), and each parcel of real property conveyed under subsection (b), shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of any survey under the preceding sentence for real property conveyed under subsection (b) shall be borne by the recipient of the real property.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with any conveyance under subsection (b), and any lease under subsection (e), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. CONVEYANCE OF SEGMENT OF LORING PETROLEUM PIPELINE, MAINE, AND RELATED EASEMENTS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Loring Development Authority, Maine (in this section referred to as the ''Authority''), all right, title, and interest of the United States in and to the segment of the Loring Petroleum (POL) Pipeline, Maine, consisting of approximately 27 miles in length and running between the Searsport terminal and Bangor Air National Guard Base.

(b) RELATED EASEMENTS.—As part of the conveyance authorized by subsection (a), the Secretary may convey to the Authority, without consideration, all right, title, and interest of the United States in and to any easements or rights-of-way necessary for the operation or maintenance of the segment of pipeline conveyed under that subsection.

(c) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Authority shall reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other expense incurred by the Secretary, for a conveyance authorized by this section.

(2) The amount of the reimbursement under paragraph (1) for an activity shall be determined by the Secretary, but may not exceed the cost of the activity.

(3) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the segment of pipeline conveyed under subsection (a), and of any easements or rights-of-way conveyed under subsection (b), shall be determined by surveys and other means satisfactory to the Secretary. The cost of any survey or other services performed at the direction of the Secretary under the preceding sentence shall be borne by the Authority.

(e) 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. 2825. LAND CONVEYANCE, PETROLEUM TERMINAL SERVING FORMER LORING AIR FORCE BASE AND BANGOR AIR NATIONAL GUARD BASE, MAINE.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Air Force may convey to the Maine Port Authority of the State of Maine (in this section referred to as the ''Authority'') all right, title, and interest of the United States in and to the Petroleum Terminal (POL) at Mack Point, Searsport, Maine, which served former Loring Air Force Base and Bangor Air National Guard Base, Maine.

(2) The conveyance under paragraph (1) may include the following:

(A) A parcel of real property, including any improvements thereon, consisting of approximately 20 acres and comprising a portion of the Petroleum Terminal.

(B) Any additional fuel tanks, other improvements, and equipment located on the 43-acre parcel of property adjacent to the property described in subparagraph (A), and currently leased by the Secretary, which constitutes the remaining portion of the Petroleum Terminal.

(b) CONDITION OF CONVEYANCE.—The Secretary may not make the conveyance under subsection (a) unless the Authority agrees to utilize the property to be conveyed under that subsection solely for economic development purposes.

(c) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the Authority shall lease to the Air Force approximately one acre of the real property conveyed under that subsection, together with any improvements thereon, that constitutes the Aerospace Fuels Laboratory (also known as Building 14).

(2) The real property leased under this subsection shall include the parking lot, outbuildings, and other improvements associated with the Aerospace Fuels Laboratory and such easements of ingress and egress to the real property, including easements for utilities, as are required for the operations of the Aerospace Fuels Laboratory.

(3) As part of the lease of real property under this subsection, the Authority shall maintain around the real property for the term of the lease a zone, not less than 75 feet in depth, free of improvements or encumbrances.

(4) The lease under this subsection shall be without cost to the United States.

(5) The term of the lease under this subsection may not exceed 25 years. If operations at the Aerospace Fuels Laboratory cease before the expiration of the term of the lease otherwise provided for under this subsection, the lease shall be deemed to have expired upon the cessation of such operations.

(d) CONVEYANCE CONTINGENT ON EXPIRATION OF LEASE OF FUEL TANKS.—The Secretary may not make the conveyance under subsection (a) until the expiration of the lease referred to in paragraph (2)(B) of that subsection.

(e) ENVIRONMENTAL REMEDIATION.—The Secretary may not make the conveyance under subsection (a) until the completion of any environmental remediation required by law with respect to the property to be conveyed under that subsection.

(f) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Authority shall reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment,

study, or analysis, or for any other expense incurred by the Secretary, for the conveyance authorized by subsection (a).

(2) The amount of the reimbursement under paragraph (1) for an activity shall be determined by the Secretary, but may not exceed the cost of the activity.

(3) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Authority.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a), and the lease under subsection (c), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2826. LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, TOLEDO, OHIO.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the Toledo-Lucas County Port Authority, Ohio (in this section referred to as the ''Port Authority''), any or all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 29 acres and comprising the Naval Weapons Industrial Reserve Plant, Toledo, Ohio.

(2) The Secretary may include in the conveyance under paragraph (1) such facilities, equipment, fixtures, and other personal property located or based on the parcel conveyed under that paragraph, or used in connection with the parcel, as the Secretary determines to be excess to the Navy.

(b) LEASE AUTHORITY.—Until such time as the real property described in subsection (a)(1) is conveyed by deed, the Secretary may lease such real property, and any personal property described in subsection (a)(2), to the Port Authority in exchange for such security, fire protection, and maintenance services as the Secretary considers appropriate.

(c) CONDITIONS OF CONVEYANCE.—The conveyance under subsection (a), and any lease under subsection (b), shall be subject to the conditions that the Port Authority—

(1) accept the real and personal property concerned in their condition at the time of the conveyance or lease, as the case may be; and

(2) except as provided in subsection (d), use the real and personal property concerned, whether directly or through an agreement with a public or private entity, for economic development or such other public purposes as the Port Authority considers appropriate.

(d) SUBSEQUENT USE.—(1) The Port Authority may, following entry into a lease under subsection (b) for real property, personal property, or both, sublease such property for a purpose set forth in subsection (c)(2) if the Secretary approves the sublease of such property for that purpose.

(2) The Port Authority may, following the conveyance of real property under subsection (a), lease or reconvey such real property, and any personal property conveyed with such real property under that subsection, for a purpose set forth in subsection (c)(2).

(e) REIMBURSEMENT FOR COSTS OF CONVEYANCE AND LEASE.—(1) The Port Authority shall reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other expense incurred by the Secretary, for the conveyance authorized by subsection (a) or any lease authorized by subsection (b).

(2) The amount of the reimbursement under paragraph (1) for an activity shall be determined by the Secretary, but may not exceed the cost of the activity.

(3) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal of the real property to be conveyed under subsection (a)(1), and an appropriate inventory or other description of the personal property to be conveyed under subsection (a)(2), shall be determined by a survey and other means satisfactory to the Secretary.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a)(1), and any lease under subsection (b), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2827. MODIFICATION OF LAND CONVEYANCE, MUKILTEO TANK FARM, EVERETT, WASHINGTON.

(a) MODIFICATION.—Section 2866 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 by Public Law 106–398); 114 Stat. 436) is amended—

(1) in subsection (a), by striking ''22 acres'' and inserting ''20.9 acres'';

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

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

''(b) TRANSFER OF JURISDICTION.—(1) At the same time the Secretary of the Air Force makes the conveyance authorized by subsection (a), the Secretary shall transfer to the Secretary of Commerce administrative jurisdiction over a parcel of real property, including improvements thereon, consisting of approximately 1.1 acres located at the Mukilteo Tank Farm and including the National Marine Fisheries Service Mukilteo Research Center facility.

''(2) The Secretary of Commerce may, with the consent of the Port, exchange with the Port all or any portion of the property received under paragraph (1) for a parcel of real property of equal area at the Mukilteo Tank Farm that is owned by the Port.

''(3) The Secretary of Commerce shall administer the property under the jurisdiction of the Secretary under this subsection through the Administrator of the National Oceanic and Atmospheric Administration as part of the Administration.

''(4) The Administrator shall use the property under the jurisdiction of the Secretary of Commerce under this subsection as the location of a research facility, and may construct a new facility on the property for such research purposes as the Administrator considers appropriate.

''(5)(A) If after the 12-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, the Administrator is not using any portion of the real property under the jurisdiction of the Secretary of Commerce under this subsection, the Administrator shall convey, without consideration, to the Port all right, title, and interest in and to such portion of the real property, including improvements thereon.

''(B) The Port shall use any real property conveyed to the Port under this paragraph for the purpose specified in subsection (a).''.

(b) CONFORMING AMENDMENT.—The section heading for that section is amended to read as follows:

''SEC. 2866. LAND CONVEYANCE AND TRANSFER, MUKILTEO TANK FARM, EVERETT, WASHINGTON.''.

SEC. 2828. LAND CONVEYANCES, CHARLESTON AIR FORCE BASE, SOUTH CAROLINA.

(a) CONVEYANCE TO STATE OF SOUTH CAROLINA AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the State of South Carolina (in this section referred to as the ''State''), all right, title, and interest of the United States in and to a portion (as determined under subsection (c)) of the real property, including any improvements thereon, consisting of approximately 24 acres at Charleston Air Force Base, South Carolina, and comprising the Air Force Family Housing Annex. The purpose of the conveyance is to facilitate the Remount Road Project.

(b) CONVEYANCE TO CITY OF NORTH CHARLESTON AUTHORIZED.—The Secretary may convey, without consideration, to the City of North Charleston, South Carolina (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a portion (as determined under subsection (c)) of the real property, including any improvements thereon, referred to in subsection (a). The purpose of the conveyance is to permit the use of the property by the City for municipal purposes.

(c) DETERMINATION OF PORTIONS OF PROPERTY TO BE CONVEYED.—(1) Subject to paragraph (2), the Secretary, the State, and the City shall jointly determine the portion of the property referred to in subsection (a) that is to be conveyed to the State under subsection (a) and the portion of the property that is to be conveyed to the City under subsection (b).

(2) In determining under paragraph (1) the portions of property to be conveyed under this section, the portion to be conveyed to the State shall be the minimum portion of the property required by the State for the purpose specified in subsection (a), and the portion to be conveyed to the City shall be the balance of the property.

(d) LIMITATION ON CONVEYANCES.—The Secretary may not carry out the conveyance of property authorized by subsection (a) or subsection (b) until the completion of an assessment of environmental contamination of the property authorized to be conveyed by such subsection for purposes of determining responsibility for environmental remediation of such property.

(e) 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 the survey for the property to be conveyed under subsection (a) shall be borne by the State, and the cost of the survey for the property to be conveyed under subsection (b) shall be borne by the City.

(f) 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.

SEC. 2829. LAND CONVEYANCE, FORT DES MOINES, IOWA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Fort Des Moines Memorial Park, Inc., a nonprofit organization (in this section referred to as the ''Memorial Park''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4.6 acres located at Fort Des Moines United States Army Reserve Center, Des Moines, Iowa, for the purpose of the establishment of the Fort Des Moines Memorial Park and Education Center.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the Memorial Park use the property for museum and park purposes.

(c) REVERSION.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being

used for museum and park purposes, all right, title, and interest in and to the real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(d) REIMBURSEMENT FOR COSTS OF CONVEYANCE.—(1) The Memorial Park shall reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis, or for any other expenses incurred by the Secretary, for the conveyance authorized in (a).

(2) The amount of the reimbursement under paragraph (1) for any activity shall be determined by the Secretary, but may not exceed the cost of such activity.

(3) Section 2695(c) of title 10 United States Code, shall apply to any amount received under this subsection.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by survey satisfactory to the Secretary. The cost of the survey shall be borne by the Memorial Park.

(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. 2830. LAND CONVEYANCES, CERTAIN FORMER MINUTEMAN III ICBM FACILITIES IN NORTH DAKOTA.

(a) CONVEYANCES REQUIRED.—(1) The Secretary of the Air Force may convey, without consideration, to the State Historical Society of North Dakota (in this section referred to as the ''Historical Society'') all right, title, and interest of the United States in and to parcels of real property, together with any improvements thereon, of the Minuteman III ICBM facilities of the former 321st Missile Group at Grand Forks Air Force Base, North Dakota, as follows:

(A) The parcel consisting of the launch facility designated ''November–33''.

(B) The parcel consisting of the missile alert facility and launch control center designated ''Oscar-O''.

(2) The purpose of the conveyance of the facilities is to provide for the establishment of an historical site allowing for the preservation, protection, and interpretation of the facilities.

(b) CONSULTATION.—The Secretary shall consult with the Secretary of State and the Secretary of Defense in order to ensure that the conveyances required by subsection (a) are carried out in accordance with applicable treaties.

(c) HISTORIC SITE.—The Secretary may, in cooperation with the Historical Society, enter into one or more cooperative agreements with appropriate public or private entities or individuals in order to provide for the establishment and maintenance of the historic site referred to in subsection (a)(2).

SEC. 2831. LAND ACQUISITION, PERQUIMANS COUNTY, NORTH CAROLINA.

The Secretary of the Navy may, using funds previously appropriated for such purpose, acquire any and all right, title, and interest in and to a parcel of real property, including improvements thereon, consisting of approximately 240 acres, or any portion thereof, in Perquimans County, North Carolina, for purposes of including such parcel in the Harvey Point Defense Testing Activity, Hertford, North Carolina.

SEC. 2832. LAND CONVEYANCE, ARMY RESERVE CENTER, KEWAUNEE, WISCONSIN.

(a) CONVEYANCE REQUIRED.—The Administrator of General Services may convey, without consideration, to the City of Kewaunee, Wisconsin (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of Federal real property, including improvements thereon, that is located at 401 5th Street in Kewaunee, Wisconsin, and contains an excess Army Reserve Center. After such conveyance, the property may be used and occupied only by the City, or by another local or State government entity approved by the City.

(b) 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 Administrator. The cost of the survey shall be borne by the City.

(c) REVERSIONARY INTEREST.—During the 20-year period beginning on the date the Administrator makes the conveyance under subsection (a), if the Administrator determines that the conveyed property is not being used and occupied in accordance with such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States. Upon reversion, the United States shall immediately proceed to a public sale of the property.

(d) ADDITIONAL TERMS AND CONDITIONS.—(1) The property shall not be used for commercial purposes.

(2) 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.

SEC. 2833. TREATMENT OF AMOUNTS RECEIVED.

Any net proceeds received by the United States as payment under subsection (c) of section 2832 shall be deposited into the Land and Water Conservation Fund.

Subtitle D—Other Matters

SEC. 2841. DEVELOPMENT OF UNITED STATES ARMY HERITAGE AND EDUCATION CENTER AT CARLISLE BARRACKS, PENNSYLVANIA.

(a) AUTHORITY TO ENTER INTO AGREEMENT.—(1) The Secretary of the Army may enter into an agreement with the Military Heritage Foundation, a not-for-profit organization, for the design, construction, and operation of a facility for the United States Army Heritage and Education Center at Carlisle Barracks, Pennsylvania.

(2) The facility referred to in paragraph (1) is to be used for curation and storage of artifacts, research facilities, classrooms, and offices, and for education and other activities, agreed to by the Secretary, relating to the heritage of the Army. The facility may also be used to support such education and training as the Secretary considers appropriate.

(b) DESIGN AND CONSTRUCTION.—The Secretary may, at the election of the Secretary—

(1) accept funds from the Military Heritage Foundation for the design and construction of the facility referred to in subsection (a); or

(2) permit the Military Heritage Foundation to contract for the design and construction of the facility.

(c) ACCEPTANCE OF FACILITY.—(1) Upon satisfactory completion, as determined by the Secretary, of the facility referred to in subsection (a), and upon the satisfaction of any and all financial obligations incident thereto by the Military Heritage Foundation, the Secretary shall accept the facility from the Military Heritage Foundation, and all right, title, and interest in and to the facility shall vest in the United States.

(2) Upon becoming property of the United States, the facility shall be under the jurisdiction of the Secretary.

(d) USE OF CERTAIN GIFTS.—(1) Under regulations prescribed by the Secretary, the Commandant of the Army War College may, without regard to section 2601 of title 10, United States Code, accept, hold, administer, invest, and spend any gift, devise, or bequest of personnel property of a value of $250,000 or less made to the United States if such gift, devise, or bequest is for the benefit of the United States Army Heritage and Education Center.

(2) The Secretary may pay or authorize the payment of any reasonable and necessary expense in connection with the conveyance or transfer of a gift, devise, or bequest under this subsection.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the agreement authorized to be entered into by subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

SEC. 2842. REPEAL OF LIMITATION ON COST OF RENOVATION OF PENTAGON RESERVATION.

Section 2864 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2806) is repealed.

SEC. 2843. NAMING OF PATRICIA C. LAMAR ARMY NATIONAL GUARD READINESS CENTER, OXFORD, MISSISSIPPI.

(a) DESIGNATION.—The Oxford Army National Guard Readiness Center, Oxford, Mississippi, shall be known and designated as the ''Patricia C. Lamar Army National Guard Readiness Center''.

(b) REFERENCE TO READINESS CENTER.—Any reference to the Oxford Army National Guard Readiness Center, Oxford, Mississippi, in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Patricia C. Lamar Army National Guard Readiness Center.

SEC. 2844. CONSTRUCTION OF PARKING GARAGE AT FORT DERUSSY, HAWAII.

(a) AUTHORITY TO ENTER INTO AGREEMENT FOR CONSTRUCTION.—The Secretary of the Army may authorize the Army Morale, Welfare, and Recreation Fund, a non-appropriated fund instrumentality of the Department of Defense (in this section referred to as the ''Fund''), to enter into an agreement with a governmental, quasi-governmental, or commercial entity for the construction of a parking garage at Fort DeRussy, Hawaii.

(b) FORM OF AGREEMENT.—The agreement under subsection (a) may take the form of a non-appropriated fund contract, conditional gift, or other agreement determined by the Fund to be appropriate for purposes of construction of the parking garage.

(c) USE OF PARKING GARAGE BY PUBLIC.—The agreement under subsection (a) may permit the use by the general public of the parking garage constructed under the agreement if the Fund determines that use of the parking garage by the general public will be advantageous to the Fund.

(d) TREATMENT OF REVENUES OF FUND PARKING GARAGES AT FORT DERUSSY.—Notwithstanding any other provision of law, amounts received by the Fund by reason of operation of parking garages at Fort DeRussy, including the parking garage constructed under the agreement under subsection (a), shall be treated as non-appropriated funds, and shall accrue to the benefit of the Fund or its component funds, including the Armed Forces Recreation Center–Hawaii (Hale Koa Hotel).

SEC. 2845. ACCEPTANCE OF CONTRIBUTIONS TO REPAIR OR ESTABLISHMENT MEMORIAL AT PENTAGON RESERVATION.

(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—The Secretary of Defense may accept contributions made for the purpose of establishing a memorial or assisting in the repair

of the damage caused to the Pentagon Reservation by the terrorist attack that occurred on September 11, 2001.

(b) DEPOSIT OF CONTRIBUTIONS.—The Secretary shall deposit contributions accepted under subsection (a) in the Pentagon Reservation Maintenance Revolving Fund established by section 2674(e) of title 10, United States Code.

TITLE XXIX—DEFENSE BASE CLOSURE AND REALIGNMENT

Subtitle A—Modifications of 1990 Base Closure Law

SEC. 2901. AUTHORITY TO CARRY OUT BASE CLOSURE ROUND IN 2003.

(a) COMMISSION MATTERS.—

(1) APPOINTMENT.—Section 2902(c)(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—

(A) in subparagraph (B)—

(i) by striking ''and'' at the end of clause (ii);

(ii) by striking the period at the end of clause (iii) and inserting ''; and''; and

(iii) by adding at the end the following new clause:

''(iv) by no later than January 24, 2003, in the case of members of the Commission whose terms will expire at the end of the first session of the 108th Congress.''; and

(B) in subparagraph (C), by striking ''or for 1995 in clause (iii) of such subparagraph'' and inserting '', for 1995 in clause (iii) of that subparagraph, or for 2003 in clause (iv) of that subparagraph''.

(2) MEETINGS.—Section 2902(e) of that Act is amended by striking ''and 1995'' and inserting ''1995, and 2003''.

(3) FUNDING.—Section 2902(k) of that Act is amended by adding at the end the following new paragraph (4):

''(4) If no funds are appropriated to the Commission by the end of the second session of the 107th Congress for the activities of the Commission in 2003, the Secretary may transfer to the Commission for purposes of its activities under this part in that year such funds as the Commission may require to carry out such activities. The Secretary may transfer funds under the preceding sentence from any funds available to the Secretary. Funds so transferred shall remain available to the Commission for such purposes until expended.''.

(4) TERMINATION.—Section 2902(l) of that Act is amended by striking ''December 31, 1995'' and inserting ''December 31, 2003''.

(b) PROCEDURES.—

(1) FORCE-STRUCTURE PLAN.—Section 2903(a) of that Act is amended—

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

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

''(2)(A) As part of the budget justification documents submitted to Congress in support of the budget for the Department of Defense for fiscal year 2003, the Secretary shall include a force-structure plan for the Armed Forces based on the assessment of the Secretary in the quadrennial defense review under section 118 of title 10, United States Code, in 2001 of the probable threats to the national security during the twenty-year period beginning with fiscal year 2003.

''(B) The Secretary may revise the force-structure plan submitted under subparagraph (A). If the Secretary revises the force-structure plan, the Secretary shall submit the revised force-structure plan to Congress as part of the budget justification documents submitted to Congress in support of the budget for the Department of Defense for fiscal year 2004.''; and

(C) in paragraph (3), as redesignated by subparagraph (A) of this paragraph—

(i) in the matter preceding subparagraph (A), by striking ''Such plan'' and inserting ''Each force-structure plan under this subsection''; and

(ii) in subparagraph (A), by striking ''referred to in paragraph (1)'' and inserting ''on which such force-structure plan is based''.

(2) SELECTION CRITERIA.—Section 2903(b) of that Act is amended—

(A) in paragraph (1), by inserting ''and by no later than December 31, 2001, for purposes of activities of the Commission under this part in 2003,'' after ''December 31, 1990,''; and

(B) in paragraph (2)(A)—

(i) in the first sentence, by inserting ''and by no later than February 15, 2002, for purposes of activities of the Commission under this part in 2003,'' after ''February 15, 1991,''; and

(ii) in the second sentence, by inserting '', or enacted on or before March 31, 2002, in the case of criteria published and transmitted under the preceding sentence in 2001'' after ''March 15, 1991''.

(3) DEPARTMENT OF DEFENSE RECOMMENDATIONS.—Section 2903(c)(1) of that Act is amended by striking ''and March 1, 1995'' and inserting ''March 1, 1995, and March 14, 2003''.

(4) COMMISSION REVIEW AND RECOMMENDATIONS.—Section 2903(d) of that Act is amended—

(A) in paragraph (2)(A), by inserting ''or by no later than July 7 in the case of recommendations in 2003,'' after ''pursuant to subsection (c),'';

(B) in paragraph (4), by inserting ''or after July 7 in the case of recommendations in 2003,'' after ''under this subsection,''; and

(C) in paragraph (5)(B), by inserting ''or by no later than May 1 in the case of such recommendations in 2003,'' after ''such recommendations,''.

(5) REVIEW BY PRESIDENT.—Section 2903(e) of that Act is amended—

(A) in paragraph (1), by inserting ''or by no later than July 22 in the case of recommendations in 2003,'' after ''under subsection (d),'';

(B) in the second sentence of paragraph (3), by inserting ''or by no later than August 18 in the case of 2003,'' after ''the year concerned,''; and

(C) in paragraph (5), by inserting ''or by September 3 in the case of recommendations in 2003,'' after ''under this part,''.

(c) RELATIONSHIP TO OTHER BASE CLOSURE AUTHORITY.—Section 2909(a) of that Act is amended by striking ''December 31, 1995,'' and inserting ''December 31, 2003,''.

SEC. 2902. BASE CLOSURE ACCOUNT 2003.

(a) ESTABLISHMENT.—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 inserting after section 2906 the following new section:

''SEC. 2906A. BASE CLOSURE ACCOUNT 2003.

''(a) IN GENERAL.—(1) There is hereby established on the books of the Treasury an account to be known as the 'Department of Defense Base Closure Account 2003' (in this section referred to as the 'Account'). The Account shall be administered by the Secretary as a single account.

''(2) There shall be deposited into the Account—

''(A) funds authorized for and appropriated to the Account;

''(B) any funds that the Secretary may, subject to approval in an appropriation Act, transfer to the Account from funds appropriated to the Department of Defense for any purpose, except that such funds may be transferred only after the date on which the Secretary transmits written notice of, and justification for, such transfer to the congressional defense committees; and

''(C) except as provided in subsection (d), proceeds received from the lease, transfer, or disposal of any property at a military installation that is closed or realigned under this part pursuant to a closure or realignment the date of approval of which is after September 30, 2003.

''(3) The Account shall be closed at the time and in the manner provided for appropriation accounts under section 1555 of title 31, United States Code. Unobligated funds which remain in the Account upon closure shall be held by the Secretary of the Treasury until transferred by law after the congressional defense committees receive the final report transmitted under subsection (c)(2).

''(b) USE OF FUNDS.—(1) The Secretary may use the funds in the Account only for the purposes described in section 2905 with respect to military installations the date of approval of closure or realignment of which is after September 30, 2003.

''(2) When a decision is made to use funds in the Account to carry out a construction project under section 2905(a) and the cost of the project will exceed the maximum amount authorized by law for a minor military construction project, the Secretary shall notify in writing the congressional defense committees of the nature of, and justification for, the project and the amount of expenditures for such project. Any such construction project may be carried out without regard to section 2802(a) of title 10, United States Code.

''(c) REPORTS.—(1)(A) No later than 60 days after the end of each fiscal year in which the Secretary carries out activities under this part using amounts in the Account, the Secretary shall transmit a report to the congressional defense committees of the amount and nature of the deposits into, and the expenditures from, the Account during such fiscal year and of the amount and nature of other expenditures made pursuant to section 2905(a) during such fiscal year.

''(B) The report for a fiscal year shall include the following:

''(i) The obligations and expenditures from the Account during the fiscal year, identified by subaccount, for each military department and Defense Agency.

''(ii) The fiscal year in which appropriations for such expenditures were made and the fiscal year in which funds were obligated for such expenditures.

''(iii) Each military construction project for which such obligations and expenditures were made, identified by installation and project title.

''(iv) A description and explanation of the extent, if any, to which expenditures for military construction projects for the fiscal year differed from proposals for projects and funding levels that were included in the justification transmitted to Congress under section 2907(1), or otherwise, for the funding proposals for the Account for such fiscal year, including an explanation of—

''(I) any failure to carry out military construction projects that were so proposed; and

''(II) any expenditures for military construction projects that were not so proposed.

''(2) No later than 60 days after the termination of the authority of the Secretary to carry out a closure or realignment under this part with respect to military installations the date of approval of closure or realignment of which is after September 30, 2003, and no later than 60 days after the closure of the Account under subsection (a)(3), the Secretary shall transmit to the congressional defense committees a report containing an accounting of—

''(A) all the funds deposited into and expended from the Account or otherwise expended under this part with respect to such installations; and

''(B) any amount remaining in the Account.

''(d) DISPOSAL OR TRANSFER OF COMMISSARY STORES AND PROPERTY PURCHASED WITH NONAPPROPRIATED FUNDS.—(1) If any real property or facility acquired, constructed, or improved (in whole or in part) with commissary store funds or nonappropriated funds is transferred or disposed of in connection with the closure or realignment of a military installation under this part the date of approval of closure or realignment of which is after September 30, 2003, a portion of the proceeds of the transfer or other disposal of property on that installation shall be deposited in the reserve account established under section 204(b)(7)(C) of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note).

''(2) The amount so deposited shall be equal to the depreciated value of the investment made with such funds in the acquisition, construction, or improvement of that particular real property or facility. The depreciated value of the investment shall be computed in accordance with regulations prescribed by the Secretary of Defense.

''(3) The Secretary may use amounts in the account (in such an aggregate amount as is provided in advance in appropriation Acts) for the purpose of acquiring, constructing, and improving—

''(A) commissary stores; and

''(B) real property and facilities for nonappropriated fund instrumentalities.

''(4) In this subsection, the terms 'commissary store funds', 'nonappropriated funds', and 'nonappropriated fund instrumentality' shall have the meaning given those terms in section 2906(d)(4).

''(e) ACCOUNT EXCLUSIVE SOURCE OF FUNDS FOR ENVIRONMENTAL RESTORATION PROJECTS.—Except as provided in section 2906(e) with respect to funds in the Department of Defense Base Closure Account 1990 under section 2906 and except for funds deposited into the Account under subsection (a), funds appropriated to the Department of Defense may not be used for purposes described in section 2905(a)(1)(C). The prohibition in this subsection shall expire upon the closure of the Account under subsection (a)(3).''.

(b) CONFORMING AMENDMENTS.—Section 2906 of that Act is amended—

(1) in subsection (a)(2)(C), by inserting ''the date of approval of closure or realignment of which is before September 30, 2003'' after ''under this part'';

(2) in subsection (b)(1), by inserting ''with respect to military installations the date of approval of closure or realignment of which is before September 30, 2003,'' after ''section 2905'';

(3) in subsection (c)(2)—

(A) in the matter preceding subparagraph (A), by inserting ''with respect to military installations the date of approval of closure or realignment of which is before September 30, 2003,'' after ''under this part''; and

(B) in subparagraph (A), by inserting ''with respect to such installations'' after ''under this part'';

(4) in subsection (d)(1), by inserting ''the date of approval of closure or realignment of which is before September 30, 2003'' after ''under this part''; and

(5) in subsection (e), by striking ''Except for'' and inserting ''Except as provided in section 2906A(e) with respect to funds in the Department of Defense Base Closure Account 2001 under section 2906A and except for''.

(c) CLERICAL AMENDMENT.—The section heading of section 2906 of that Act is amended to read as follows:

''SEC. 2906. BASE CLOSURE ACCOUNT 1990.''.

SEC. 2903. ADDITIONAL MODIFICATIONS OF BASE CLOSURE AUTHORITIES.

(a) INCREASE IN MEMBERS OF COMMISSION.—Section 2902(c)(1)(A) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2867 note) is amended by striking ''eight members'' and inserting ''nine members''.

(b) SELECTION CRITERIA.—Section 2903(b) of that Act is amended by adding at the end the following new paragraphs:

''(3) The selection criteria shall ensure that military value is the primary consideration in the making of recommendations for the closure or realignment of military installations under this part.

''(4) Any selection criteria proposed by the Secretary relating to the cost savings or return on investment from the proposed closure or realignment of a military installation shall take into account the effect of the proposed closure or realignment on the costs of any other Federal agency that may be required to assume responsibility for activities at the military installation.''.

(c) DEPARTMENT OF DEFENSE RECOMMENDATIONS TO COMMISSION.—Section 2903(c) of that Act is amended—

(1) by redesignating paragraphs (1), (2), (3), (4), (5), and (6) as paragraphs (2), (3), (4), (6), (7), and (8), respectively;

(2) by inserting before paragraph (2), as so redesignated, by the following new paragraph (1):

''(1) The Secretary shall carry out a comprehensive review of the military installations of the Department of Defense inside the United States based on the force-structure plan submitted under subsection (a)(2), and the final criteria transmitted under subsection (b)(2), in 2002. The review shall cover every type of facility or other infrastructure operated by the Department of Defense.'';

(3) in paragraph (4), as so redesignated—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(B) by inserting after subparagraph (A) the following new subparagraph (B):

''(B) In considering military installations for closure or realignment under this part in any year after 2001, the Secretary shall consider the anticipated continuing need for and availability of military installations worldwide. In evaluating the need for military installations inside the United States, the Secretary shall take into account current restrictions on the use of military installations outside the United States and the potential for future prohibitions or restrictions on the use of such military installations.''; and

(C) in subparagraph (D), as so redesignated, by striking ''subparagraph (B)'' and inserting ''subparagraph (C)'';

(4) by inserting after paragraph (4), as so redesignated, the following new paragraph (5):

''(5)(A) In making recommendations to the Commission under this subsection in any year after 2001, the Secretary shall consider any notice received from a local government in the vicinity of a military installation that the government would approve of the closure or realignment of the installation.

''(B) Notwithstanding the requirement in subparagraph (A), the Secretary shall make the recommendations referred to in that subparagraph based on the force-structure plan and final criteria otherwise applicable to such recommendations under this section.

''(C) The recommendations made by the Secretary under this subsection in any year after 2001 shall include a statement of the result of the consideration of any notice described in subparagraph (A) that is received with respect to an installation covered by such recommendations. The statement shall set forth the reasons for the result.''; and

(5) in paragraph (8), as so redesignated—

(A) in the first sentence, by striking ''paragraph (5)(B)'' and inserting ''paragraph (7)(B)''; and

(B) in the second sentence, by striking ''24 hours'' and inserting ''48 hours''.

(d) COMMISSION CHANGES IN RECOMMENDATIONS OF SECRETARY.—Section 2903(d)(2) of that Act is amended—

(1) in subparagraph (B), by striking ''if'' and inserting ''only if'';

(2) in subparagraph (C)—

(A) in clause (iii), by striking ''and'' at the end;

(B) in clause (iv), by striking the period at the end and inserting ''; and''; and

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

''(v) invites the Secretary to testify at a public hearing, or a closed hearing if classified information is involved, on the proposed change.'';

(3) by redesignating subparagraph (E) as subparagraph (F); and

(4) by inserting after subparagraph (D) the following new subparagraph (E):

''(E) In the case of a change not described in subparagraph (D) in the recommendations made by the Secretary, the Commission may make the change only if the Commission—

''(i) makes the determination required by subparagraph (B);

''(ii) determines that the change is consistent with the force-structure plan and final criteria referred to in subsection (c)(1); and

''(iii) invites the Secretary to testify at a public hearing, or a closed hearing if classified information is involved, on the proposed change.''.

(e) PRIVATIZATION IN PLACE.—Section 2904(a) of that Act is amended—

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

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

''(3) carry out the privatization in place of a military installation recommended for closure or realignment by the Commission in each such report after 2001 only if privatization in place is a method of closure or realignment of the installation specified in the recommendation of the Commission in such report and is determined by the Commission to be the most-cost effective method of implementation of the recommendation;''.

(f) IMPLEMENTATION.—

(1) PAYMENT FOR CERTAIN SERVICES FOR PROPERTY LEASED BACK BY THE UNITED STATES.—Section 2905(b)(4)(E) of that Act is amended—

(1) in clause (iii), by striking ''A lease'' and inserting ''Except as provided in clause (v), a lease''; and

(2) by adding at the end the following new clause (v):

''(v)(I) Notwithstanding clause (iii), a lease under clause (i) may require the United States to pay the redevelopment authority concerned, or the assignee of the redevelopment authority, for facility services and common area maintenance provided for the leased property by the redevelopment authority or assignee, as the case may be.

''(II) The rate charged the United States for services and maintenance provided by a redevelopment authority or assignee under subclause (I) may not exceed the rate charged non-Federal tenants leasing property at the installation for such services and maintenance.

''(III) For purposes of this clause, facility services and common area maintenance shall not include municipal services that the State or local government concerned is required by law to provide without direct charge to landowners, or firefighting or security-guard functions.''.

(2) TRANSFERS IN CONNECTION WITH PAYMENT OF ENVIRONMENTAL REMEDIATION.—Section 2905(e) of that Act is amended—

(A) in paragraph (1)(B), by adding at the end the following new sentence: ''The real

property and facilities referred to in subparagraph (A) are also the real property and facilities located at an installation approved for closure or realignment under this part after 2001 that are available for purposes other than to assist the homeless.'';

(B) in paragraph (2)(A), by striking ''to be paid by the recipient of the property or facilities'' and inserting ''otherwise to be paid by the Secretary with respect to the property or facilities'';

(C) by striking paragraph (6);

(D) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), (6), respectively; and

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

''(3) In the case of property or facilities covered by a certification under paragraph (2)(A), the Secretary may pay the recipient of such property or facilities an amount equal to the lesser of—

''(A) the amount by which the costs incurred by the recipient of such property or facilities for all environmental restoration, waste, management, and environmental compliance activities with respect to such property or facilities exceed the fair market value of such property or facilities as specified in such certification; or

''(B) the amount by which the costs (as determined by the Secretary) that would otherwise have been incurred by the Secretary for such restoration, management, and activities with respect to such property or facilities exceed the fair market value of such property or facilities as so specified.''.

(3) SCOPE OF INDEMNIFICATION OF TRANSFEREES IN CONNECTION WITH PAYMENT OF ENVIRONMENTAL REMEDIATION.—Paragraph (6) of section 2905(e) of that Act, as redesignated by paragraph (1) of this subsection, is further amended by inserting before the period the following: '', except in the case of releases or threatened releases not disclosed pursuant to paragraph (4)''.

SEC. 2904. TECHNICAL AND CLARIFYING AMENDMENTS.

(a) COMMENCEMENT OF PERIOD FOR NOTICE OF INTEREST IN PROPERTY FOR HOMELESS.—Section 2905(b)(7)(D)(ii)(I) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2867 note) is amended by striking ''that date'' and inserting ''the date of publication of such determination in a newspaper of general circulation in the communities in the vicinity of the installation under subparagraph (B)(i)(IV)''.

(b) OTHER CLARIFYING AMENDMENTS.—(1) That Act is further amended by inserting ''or realignment'' after ''closure'' each place it appears in the following provisions:

(A) Section 2905(b)(3).

(B) Section 2905(b)(5).

(C) Section 2905(b)(7)(B)(iv).

(D) Section 2905(b)(7)(N).

(E) Section 2910(10)(B).

(2) That Act is further amended by inserting ''or realigned'' after ''closed'' each place it appears in the following provisions:

(A) Section 2905(b)(3)(C)(ii).

(B) Section 2905(b)(3)(D).

(C) Section 2905(b)(3)(E).

(D) Section 2905(b)(4)(A).

(E) Section 2905(b)(5)(A).

(F) Section 2910(9).

(G) Section 2910(10).

(3) Section 2905(e)(1)(B) of that Act is amended by inserting '', or realigned or to be realigned,'' after ''closed or to be closed''.

Subtitle B—Modification of 1988 Base Closure Law

SEC. 2911. PAYMENT FOR CERTAIN SERVICES PROVIDED BY REDEVELOPMENT AUTHORITIES FOR PROPERTY LEASED BACK BY THE UNITED STATES.

Section 204(b)(4) of the Defense Authorization Amendments and Base Closure and Realignment Act of (Public Law 100–526; 10 U.S.C. 2687 note) is amended by adding at the end the following new subparagraph (J):

''(J)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this title (including property at an installation approved for realignment which will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, one or more portions of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

''(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

''(iii) Except as provided in clause (v), a lease under clause (i) may not require rental payments by the United States.

''(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease. Exercise of the authority provided by this clause shall be made in consultation with the redevelopment authority concerned.

''(v)(I) Notwithstanding clause (iii), a lease under clause (i) may require the United States to pay the redevelopment authority concerned, or the assignee of the redevelopment authority, for facility services and common area maintenance provided for the leased property by the redevelopment authority or assignee, as the case may be.

''(II) The rate charged the United States for services and maintenance provided by a redevelopment authority or assignee under subclause (I) may not exceed the rate charged non-Federal tenants leasing property at the installation for such services and maintenance.

''(III) For purposes of this clause, facility services and common area maintenance shall not include municipal services that the State or local government concerned is required by law to provide without direct charge to landowners, or firefighting or security-guard functions.''.

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.

(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $7,351,721,000, to be allocated as follows:

(1) WEAPONS ACTIVITIES.—For weapons activities, $5,481,795,000, to be allocated as follows:

(A) For stewardship operation and maintenance, $4,687,443,000, to be allocated as follows:

(i) For directed stockpile work, $1,016,922,000.

(ii) For campaigns, $2,137,300,000, to be allocated as follows:

(I) For operation and maintenance, $1,767,328,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $369,972,000, to be allocated as follows:

Project 01–D–101, distributed information systems laboratory, Sandia National Laboratories, Livermore, California, $5,400,000.

Project 00–D–103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, $22,000,000.

Project 00–D–105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, $11,070,000.

Project 00–D–107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $5,377,000.

Project 98–D–125, tritium extraction facility, Savannah River Plant, Aiken, South Carolina, $81,125,000.

Project 96–D–111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, $245,000,000.

(iii) For readiness in technical base and facilities, $1,533,221,000, to be allocated as follows:

(I) For operation and maintenance, $1,356,107,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $177,114,000, to be allocated as follows:

Project 02–D–101, microsystems and engineering sciences applications (MESA), Sandia National Laboratories, Albuquerque, New Mexico, $39,000,000.

Project 02–D–103, project engineering and design (PE&D), various locations, $31,130,000.

Project 02–D–107, electrical power systems safety communications and bus upgrades, Nevada Test Site, Nevada, $3,507,000.

Project 01–D–103, preliminary project design and engineering, various locations, $16,379,000.

Project 01–D–124, highly enriched uranium (HEU) materials storage facility, Y–12 Plant, Oak Ridge, Tennessee, $0.

Project 01–D–126, weapons evaluation test laboratory, Pantex Plant, Amarillo, Texas, $7,700,000.

Project 01–D–800, sensitive compartmented information facility, Lawrence Livermore National Laboratory, Livermore, California, $12,993,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $4,400,000.

Project 99–D–104, protection of real property (roof reconstruction, phase II), Lawrence Livermore National Laboratory, Livermore, California, $2,800,000.

Project 99–D–106, model validation and system certification center, Sandia National Laboratories, Albuquerque, New Mexico, $4,955,000.

Project 99–D–108, renovation of existing roadways, Nevada Test Site, Nevada, $2,000,000.

Project 99–D–125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, $300,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City Plant, Kansas City, Missouri, $22,200,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant, Amarillo, Texas, $3,300,000.

Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah

River Plant, Aiken, South Carolina, $13,700,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 Plant consolidation, Oak Ridge, Tennessee, $6,850,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $3,000,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $2,900,000.

(B) For secure transportation asset, $77,571,000, to be allocated for operation and maintenance.

(C) For safeguards and security, $448,881,000, to be allocated as follows:

(i) For operation and maintenance, $439,281,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $9,600,000, to be allocated as follows:

Project 99–D–132, stockpile management restructuring initiative, nuclear material safeguards and security upgrade project, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,600,000.

(D) For facilities and infrastructure, $267,900,000.

(2) DEFENSE NUCLEAR NONPROLIFERATION.—For other nuclear security activities, $872,500,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $258,161,000, to be allocated as follows:

(i) For operation and maintenance, $222,355,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $35,806,000, to be allocated as follows:

Project 00–D–192, nonproliferation and international security center (NISC), Los Alamos National Laboratory, Los Alamos, New Mexico, $35,806,000.

(B) For arms control, $138,000,000.

(C) For international materials protection, control, and accounting, $143,800,000.

(D) For highly enriched uranium transparency implementation, $13,950,000.

(E) For international nuclear safety, $19,500,000.

(F) For fissile materials control and disposition, $299,089,000, to be allocated as follows:

(i) For United States surplus fissile materials disposition, $233,089,000, to be allocated as follows:

(I) For operation and maintenance, $130,089,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $103,000,000, to be allocated as follows:

Project 01–D–142, immobilization and associated processing facility, (Title I and II design), Savannah River Site, Aiken, South Carolina, $0.

Project 01–D–407, highly enriched uranium blend-down, Savannah River Site, Aiken, South Carolina, $24,000,000.

Project 99–D–141, pit disassembly and conversion facility (Title I and II design), Savannah River Site, Aiken, South Carolina, $16,000,000.

Project 99–D–143, mixed oxide fuel fabrication facility (Title I and II design), Savannah River Site, Aiken, South Carolina, $63,000,000.

(ii) For Russian fissile materials disposition, $66,000,000.

(3) NAVAL REACTORS.—For naval reactors, $688,045,000, to be allocated as follows:

(A) For naval reactors development, $665,445,000, to be allocated as follows:

(i) For operation and maintenance, $652,245,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $13,200,000, to be allocated as follows:

Project 01–D–200, major office replacement building, Schenectady, New York, $9,000,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $4,200,000.

(B) For program direction, $22,600,000.

(4) OFFICE OF ADMINISTRATOR FOR NUCLEAR SECURITY.—For the Office of the Administrator for Nuclear Security, and for program direction for the National Nuclear Security Administration (other than for naval reactors), $380,366,000.

(b) ADJUSTMENTS.—The amount authorized to be appropriated by subsection (a) is hereby reduced by $70,985,000, as follows:

(1) The amount authorized to be appropriated by paragraph (1) of that subsection is hereby reduced by $28,985,000, which is to be derived from offsets and use of prior year balances.

(2) The amount authorized to be appropriated by paragraph (2) of that subsection is hereby reduced by $42,000,000, which is to be derived from use of prior year balances.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for environmental restoration and waste management activities in carrying out programs necessary for national security in the amount of $6,047,617,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7277n), $1,080,538,000.

(2) SITE/PROJECT COMPLETION.—For site completion and project completion in carrying out environmental management activities necessary for national security programs, $943,196,000, to be allocated as follows:

(A) For operation and maintenance, $919,030,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $24,166,000, to be allocated as follows:

Project 02–D–402, Intec cathodic protection system expansion, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $3,256,000.

Project 01–D–414, preliminary project engineering and design (PE&D), various locations, $6,254,000.

Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $5,040,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratories, Idaho Falls, Idaho, $2,700,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $1,910,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $4,244,000.

Project 92–D–140, F&H canyon exhaust upgrades, Savannah River Site, Aiken, South Carolina, $0.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $762,000.

(3) POST-2006 COMPLETION.—For post-2006 completion in carrying out environmental restoration and waste management activities necessary for national security programs, $3,245,201,000, to be allocated as follows:

(A) For operation and maintenance, $1,955,979,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $6,754,000, to be allocated as follows:

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $6,754,000.

(C) For the Office of River Protection in carrying out environmental restoration and waste management activities necessary for national security programs, $862,468,000, to be allocated as follows:

(i) For operation and maintenance, $322,151,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $540,317,000, to be allocated as follows:

Project 01–D–416, waste treatment and immobilization plant, Richland, Washington, $500,000,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $33,473,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $6,844,000.

(4) SCIENCE AND TECHNOLOGY DEVELOPMENT.—For science and technology development in carrying out environmental restoration and waste management activities necessary for national security programs, $216,000,000.

(5) EXCESS FACILITIES.—For excess facilities in carrying out environmental restoration and waste management activities necessary for national security programs, $1,300,000.

(6) SAFEGUARDS AND SECURITY.—For safeguards and security in carrying out environmental restoration and waste management activities necessary for national security programs, $205,621,000.

(7) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs, $355,761,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (2) through (7) of that subsection, reduced by $42,161,000, to be derived from offsets and use of prior year balances.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for other defense activities in carrying out programs necessary for national security in the amount of $512,195,000, to be allocated as follows:

(1) INTELLIGENCE.—For intelligence, $40,844,000.

(2) COUNTERINTELLIGENCE.—For counterintelligence, $46,389,000.

(3) SECURITY AND EMERGENCY OPERATIONS.—For security and emergency operations, $247,565,000, to be allocated as follows:

(A) For nuclear safeguards and security, $121,188,000.

(B) For security investigations, $44,927,000.

(C) For program direction, $81,450,000.

(4) INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE.—For independent oversight and performance assurance, $14,904,000.

(5) ENVIRONMENT, SAFETY, AND HEALTH.—For the Office of Environment, Safety, and Health, $114,600,000, to be allocated as follows:

(A) For environment, safety, and health (defense), $91,307,000.

(B) For program direction, $23,293,000.

(6) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, $20,000,000, to be allocated as follows:

(A) For worker and community transition, $18,000,000.

(B) For program direction, $2,000,000.

(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $2,893,000.

(8) NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT.—For national security programs administrative support, $25,000,000.

(b) ADJUSTMENTS.—

(1) SECURITY AND EMERGENCY OPERATIONS, FOR PROGRAM DIRECTION.—The amount authorized to be appropriated pursuant to subsection (a)(3)(B) is reduced by $712,000 to reflect an offset provided by user organizations for security investigations.

(2) OTHER.—The total amount authorized to be appropriated pursuant to paragraphs (1), (2), (4), (5), (6), (7), and (8) of subsection (a) is hereby reduced by $10,000,000 to reflect use of prior year balances.

SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $157,537,000, to be allocated as follows:

Project 02–PVT–1, Paducah disposal facility, Paducah, Kentucky, $13,329,000.

Project 02–PVT–2, Portsmouth disposal facility, Portsmouth, Ohio, $2,000,000.

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $49,332,000.

Project 98–PVT–5, environmental management/waste management disposal, Oak Ridge, Tennessee, $26,065,000.

Project 97–PVT–2, advanced mixed waste treatment project, Idaho Falls, Idaho, $56,000,000.

Project 97–PVT–3, transuranic waste treatment, Oak Ridge, Tennessee, $10,826,000.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 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 $250,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $2,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) 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.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON MINOR CONSTRUCTION PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any minor construction project using operation and maintenance funds, or facilities and infrastructure funds, authorized by this title.

(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 year. Each report shall give a brief description of each minor construction project covered by such report.

(c) MINOR CONSTRUCTION PROJECT DEFINED.—In this section, the term ''minor construction project'' means any plant project not specifically authorized by law if the approved total estimated cost of the plant project does not exceed $5,000,000.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, authorized by 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there is excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) does not apply to a construction project with a current estimated cost of less than $5,000,000.

SEC. 3124. 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 this title 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) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. 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) Not more than 5 percent of any such authorization may be transferred between authorizations 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 Committees on Armed Services of the Senate and House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT OF CONCEPTUAL DESIGN.—(1) 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) 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) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a minor construction project the total estimated cost of which is less than $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy 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) 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. 3126. 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 an authorization in this title, including funds authorized to be appropriated for advance planning, engineering, and construction design, and for plant projects, under sections 3101, 3102, 3103, and 3104 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 any 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 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title 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.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2004.

SEC. 3129. 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 the office to another such program or project.

(b) LIMITATIONS.—(1) Not more than three transfers may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under in any one transfer under subsection (a) may not exceed $5,000,000.

(3) 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 to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.

(4) 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 3121 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, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102(a).

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(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.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 2001, and ending on September 30, 2002.

SEC. 3130. 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 the office to another such program or project.

(b) LIMITATIONS.—(1) Not more than three transfers may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project in any one transfer under subsection (a) may not exceed $5,000,000.

(3) 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 to address a risk to health, safety, or the environment or to assure the most efficient use of weapons activities funds at the field office.

(4) 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 3121 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, any of the following:

(A) A program referred to or a project listed in 3101(1).

(B) A program or project not described in subparagraph (A) that is for weapons activities necessary for national security programs of the Department, that is being carried out by the office, and for which weapons activities funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term ''weapons activities funds'' means funds appropriated to the Department of Energy pursuant to an authorization for carrying out weapons activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 2001, and ending on September 30, 2002.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. LIMITATION ON AVAILABILITY OF FUNDS FOR WEAPONS ACTIVITIES FOR FACILITIES AND INFRASTRUCTURE.

Not more than 50 percent of the funds authorized to be appropriated by section 3101(a)(1)(D) for the National Nuclear Security Administration for weapons activities for facilities and infrastructure may be obligated or expended until the Administrator for Nuclear Security submits to the congressional defense committees a report setting forth the following:

(1) Criteria for the selection of projects to be carried out using such funds.

(2) Criteria for establishing priorities among projects so selected.

(3) A list of the projects so selected, including the priority assigned to each such project.

SEC. 3132. LIMITATION ON AVAILABILITY OF FUNDS FOR OTHER DEFENSE ACTIVITIES FOR NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT.

Not more than $5,000,000 of the funds authorized to be appropriated by section 3103(a)(8) for other defense activities for national security programs administrative support may be obligated or expended until the later of the following:

(1) The date on which the Secretary of Energy submits to Congress a report setting forth the purposes for which such funds will be obligated and expended.

(2) The date on which the Administrator for Nuclear Security submits to Congress the future-years nuclear security program for fiscal year 2002 required by section 3253 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–35; 50 U.S.C. 2453).

SEC. 3133. NUCLEAR CITIES INITIATIVE.

(a) LIMITATIONS ON USE OF FUNDS.—No funds authorized to be appropriated for the Nuclear Cities Initiative after fiscal year 2001 may be obligated or expended with respect to more than three nuclear cities, or more than two serial production facilities in Russia, until 30 days after the Administrator for Nuclear Security submits to the appropriate congressional committees an agreement signed by the Russian Federation on access under the Nuclear Cities Initiative to the ten closed nuclear cities and four serial production facilities of the Nuclear Cities Initiative.

(b) ANNUAL REPORT.—(1) Not later than the first Monday in February each year, the Administrator shall submit to the appropriate congressional committees a report on financial and programmatic activities with respect to the Nuclear Cities Initiative during the preceding fiscal year.

(2) Each report shall include, for the fiscal year covered by such report, the following:

(A) A list of each project that is or was completed, ongoing, or planned under the Nuclear Cities Initiative during such fiscal year.

(B) For each project listed under subparagraph (A), information, current as of the end of such fiscal year, on the following:

(i) The purpose of such project.

(ii) The budget for such project.

(iii) The life-cycle costs of such project.

(iv) Participants in such project.

(v) The commercial viability of such project.

(vi) The number of jobs in Russia created or to be created by or through such project.

(vii) Of the total amount of funds spent on such project, the percentage of such amount spent in the United States and the percentage of such amount spent overseas.

(C) A certification by the Administrator that each project listed under subparagraph

(A) did contribute, is contributing, or will contribute, as the case may be, to the downsizing of the nuclear weapons complex in Russia, together with a description of the evidence utilized to make such certification.

(c) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees means'' the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

(2) NUCLEAR CITIES INITIATIVE.—The term ''Nuclear Cities Initiative'' means the initiative arising pursuant to the March 1998 discussion between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation.

(3) NUCLEAR CITY.—The term ''nuclear city'' means any of the nuclear cities within the complex of the Russia Ministry of Atomic Energy (MINATOM) as follows:

(A) Sarov (Arzamas–16 and Avangard).

(B) Zarechnyy (Penza–19).

(C) Novoural'sk (Sverdlovsk–44).

(D) Lesnoy (Sverdlovsk–45).

(E) Ozersk (Chelyabinsk–65).

(F) Snezhinsk (Chelyabinsk–70).

(G) Trechgornyy (Zlatoust–36).

(H) Seversk (Tomsk–7).

(I) Zhelenznogorsk (Krasnoyarsk–26).

(J) Zelenogorsk (Krasnoyarsk–45).

SEC. 3134. CONSTRUCTION OF DEPARTMENT OF ENERGY OPERATIONS OFFICE COMPLEX.

(a) AUTHORITY FOR DESIGN AND CONSTRUCTION.—Subject to subsection (b), the Secretary of Energy may provide for the design and construction of a new operations office complex for the Department of Energy in accordance with the feasibility study regarding such operations office complex conducted under the National Defense Authorization Act for Fiscal Year 2000.

(b) LIMITATION.—The Secretary may not exercise the authority in subsection (a) until the date on which the Secretary certifies to Congress that the feasibility study referred to in subsection (a) is consistent with the plan submitted under section 3153(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–465).

(c) BASIS OF AUTHORITY.—The design and construction of the operations office complex authorized by subsection (a) shall be carried out through one or more energy savings performance contracts (ESPC) entered into under this section and in accordance with the provisions of title VIII of the National Energy Policy Conservation Act (42 U.S.C. 8287 et seq.).

(d) PAYMENT OF COSTS.—Amounts for payments of costs associated with the construction of the operations office complex authorized by subsection (a) shall be derived from energy savings and ancillary operation and maintenance savings that result from the replacement of a current Department of Energy operations office complex (as identified in the feasibility study referred to in subsection (a)) with the operations office complex authorized by subsection (a).

Subtitle D—Matters Relating to Management of National Nuclear Security Administration

SEC. 3141. ESTABLISHMENT OF POSITION OF DEPUTY ADMINISTRATOR FOR NUCLEAR SECURITY.

(a) ESTABLISHMENT OF POSITION.—Subtitle A of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 50 U.S.C. 2401 et seq.) is amended—

(1) by redesignating section 3213 as section 3219 and transferring such section, as so redesignated, to the end of the subtitle; and

(2) by inserting after section 3212 the following new section 3213:

''SEC. 3213. DEPUTY ADMINISTRATOR FOR NUCLEAR SECURITY.

''(a) IN GENERAL.—There is in the Administration a Deputy Administrator for Nuclear Security, who is appointed by the President, by and with the advice and consent of the Senate.

''(b) DUTIES.—(1) The Deputy Administrator shall be the principal assistant to the Administrator in carrying out the responsibilities of the Director under this title, and shall act for, and exercise the powers and duties of, the Administrator when the Administrator is disabled or there is no Administrator for Nuclear Security.

''(2) Subject to the authority, direction, and control of the Administrator, the Deputy Administrator shall perform such duties, and exercise such powers, relating to the functions of the Administration as the Administrator may prescribe.''.

(b) PAY LEVEL.—Section 5314 of title 5, United States Code, is amended in the item relating to the Deputy Administrators of the National Nuclear Security Administration—

(1) by striking ''(3)'' and inserting ''(4)''; and

(2) by striking ''(2)'' and inserting ''(3)''.

SEC. 3142. RESPONSIBILITY FOR NATIONAL SECURITY LABORATORIES AND WEAPONS PRODUCTION FACILITIES OF DEPUTY ADMINISTRATOR OF NATIONAL NUCLEAR SECURITY ADMINISTRATION FOR DEFENSE PROGRAMS.

Section 3214 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 959; 50 U.S.C. 2404) is amended by striking subsection (c).

SEC. 3143. CLARIFICATION OF STATUS WITHIN THE DEPARTMENT OF ENERGY OF ADMINISTRATION AND CONTRACTOR PERSONNEL OF THE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

Section 3219 of the National Nuclear Security Administration Act, as redesignated and transferred by section 3141(a)(1) of this Act, is further amended—

(1) in subsection (a), by striking ''Administration—'' and inserting ''Administration, in carrying out any function of the Administration—''; and

(2) in subsection (b), by striking ''shall'' and inserting '', in carrying out any function of the Administration, shall''.

SEC. 3144. MODIFICATION OF AUTHORITY OF ADMINISTRATOR FOR NUCLEAR SECURITY TO ESTABLISH SCIENTIFIC, ENGINEERING, AND TECHNICAL POSITIONS.

(a) INCREASE IN AUTHORIZED NUMBER OF POSITIONS.—Section 3241 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 964; 50 U.S.C. 2441) is amended—

(1) by inserting ''(a) IN GENERAL—'' before ''The Administrator''; and

(2) in subsection (a), as so designated, by striking ''300'' and inserting ''500''.

(b) DESIGNATION OF EXISTING PROVISIONS ON TREATMENT OF AUTHORITY.—That section is further amended—

(1) by designating the second sentence as subsection (b);

(2) aligning the margin of that subsection, as so designated, so as to indent the text two ems; and

(3) in that subsection, as so designated, by striking ''Subject to the limitations in the preceding sentence,'' and inserting ''(b) TREATMENT OF AUTHORITY.—Subject to the limitations in subsection (a),''.

(c) TREATMENT OF POSITIONS.—That section is further amended by adding at the end the following new subsection:

''(c) TREATMENT OF POSITIONS.—A position established under subsection (a) may not be considered a Senior Executive Service position (as that term is defined in section 3132(a)(2) of title 5, United States Code), and shall not be subject to the provisions of subchapter II of chapter 31 of that title, relating to the Senior Executive Service.''.

Subtitle E—Other Matters

SEC. 3151. IMPROVEMENTS TO ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) CERTAIN LEUKEMIA AS SPECIFIED CANCER.—Section 3621(17) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398); 114 Stat. 1654A–502), as amended by section 2403 of the Supplemental Appropriations Act, 2001 (Public Law 107–20), is further amended by adding at the end the following new subparagraph:

''(D) Leukemia (other than chronic lymphocytic leukemia), if initial occupation exposure occurred before 21 years of age and onset occurred more than two years after initial occupational exposure.''.

(b) ADDITIONAL MEMBERS OF SPECIAL EXPOSURE COHORT.—Section 3626(b) of that Act (114 Stat. 1654A–505) is amended in the matter preceding paragraph (1) by inserting after ''Department of Energy facility'' the following: '', or at an atomic weapons employer facility,''.

(c) ESTABLISHMENT OF CHRONIC SILICOSIS.—Section 3627(e)(2)(A) of that Act (114 Stat. 1654A–506) is amended by striking ''category 1/1'' and inserting ''category 1/0''.

(d) SURVIVORS.—

(1) IN GENERAL.—Subsection (e) of section 3628 of that Act (114 Stat. 1654A–506) is amended to read as follows:

''(e) SURVIVORS.—(1) If a covered employee dies before accepting payment of compensation under this section, whether or not the death is the result of the covered employee's occupational illness, the survivors of the covered employee who are living at the time of payment of compensation under this section shall receive payment of compensation under this section in lieu of the covered employee as follows:

''(A) If such living survivors of the covered employee include a spouse and one or more children—

''(i) the spouse shall receive one-half of the amount of compensation provided for the covered employee under this section; and

''(ii) each child shall receive an equal share of the remaining one-half of the amount of the compensation provided for the covered employee under this section.

''(B) If such living survivors of the covered employee include a spouse or one or more children, but not both a spouse and one or more children—

''(i) the spouse shall receive the amount of compensation provided for the covered employee under this section; or

''(ii) each child shall receive an equal share of the amount of the compensation provided for the covered employee under this section.

''(C) If such living survivors of the covered employee do not include a spouse or any children, but do include one or both parents, one or more grandparents, one or more grandchildren, or any combination of such individuals, each such individual shall receive an equal share of the amount of the compensation provided for the covered employee under this section.

''(2) For purposes of this subsection, the term 'child', in the case of a covered employee, means any child of the covered employee, including a natural child, adopted child, or step-child who lived with the covered employee in a parent-child relationship.''.

(2) URANIUM EMPLOYEES.—Subsection (e) of section 3630 of that Act (114 Stat. 1654A–507) is amended to read as follows:

''(e) SURVIVORS.—(1) If a covered uranium employee dies before accepting payment of compensation under this section, whether or not the death is the result of the covered uranium employee's occupational illness, the survivors of the covered uranium employee who are living at the time of payment of compensation under this section shall receive payment of compensation under this section in lieu of the covered uranium employee as follows:

''(A) If such living survivors of the covered uranium employee include a spouse and one or more children—

''(i) the spouse shall receive one-half of the amount of compensation provided for the covered uranium employee under this section; and

''(ii) each child shall receive an equal share of the remaining one-half of the amount of the compensation provided for the covered uranium employee under this section.

''(B) If such living survivors of the covered uranium employee include a spouse or one or more children, but not both a spouse and one or more children—

''(i) the spouse shall receive the amount of compensation provided for the covered uranium employee under this section; or

''(ii) each child shall receive an equal share of the amount of the compensation provided for the covered uranium employee under this section.

''(C) If such living survivors of the covered uranium employee do not include a spouse or any children, but do include one or both parents, one or more grandparents, one or more grandchildren, or any combination of such individuals, each such individual shall receive an equal share of the amount of the compensation provided for the covered uranium employee under this section.

''(2) For purposes of this subsection, the term 'child', in the case of a covered uranium employee, means any child of the covered employee, including a natural child, adopted child, or step-child who lived with the covered employee in a parent-child relationship.''.

(3) REPEAL OF SUPERSEDED PROVISION.—Paragraph (18) of section 3621 of that Act (114 Stat. 1654A–502) is repealed.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on July 1, 2001.

(e) DISMISSAL OF PENDING SUITS.—Section 3645(d) of that Act (114 Stat. 1654A–510) is amended by striking ''the plaintiff shall not'' and all that follows through the end and inserting ''and was not dismissed as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002, the plaintiff shall be eligible for compensation or benefits under subtitle B only if the plaintiff dismisses such case not later than December 31, 2003.''.

(f) ATTORNEY FEES.—Section 3648 of that Act (114 Stat. 1654A–511) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

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

''(3) 10 percent of any compensation paid under the claim for assisting with or representing a claimant seeking such compensation by the provision of services other than, or in addition to, services in connection with the filing of an initial claim covered by paragraph (1).'';

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

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

''(c) INAPPLICABILITY TO SERVICES PROVIDED AFTER AWARD OF COMPENSATION.—This section shall not apply with respect to any representation or assistance provided to an individual awarded compensation under subtitle B after the award of compensation.''.

(g) STUDY OF RESIDUAL CONTAMINATION OF FACILITIES.—(1) The National Institute for Occupational Safety and Health shall, with the cooperation of the Department of Energy and the Department of Labor, conduct a study on the following:

(A) Whether or not significant contamination remained in any atomic weapons employer facility or facility of a beryllium vendor after such facility discontinued activities relating to the production of nuclear weapons.

(B) If so, whether or not such contamination could have caused or substantially contributed to the cancer of a covered employee with cancer or a covered beryllium illness, as the case may be.

(2)(A) Not later than 180 days after the date of the enactment of this Act, the National Institute for Occupational Safety and Health shall submit to the congressional defense committees a report on the progress made as of the date of the report on the study under paragraph (1).

(B) Not later than one year after the date of the enactment of this Act, the National Institute shall submit to the congressional defense committees a final report on the study under paragraph (1).

(3) Amounts for the study under paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (114 Stat. 1654A–498).

(4) In this subsection:

(A) The terms ''atomic weapons employer facility'', ''beryllium vendor'', ''covered employee with cancer'', and ''covered beryllium illness'' have the meanings given those terms in section 3621 of the Energy Employees Occupational Illness Compensation Program Act of 2000 (114 Stat. 1654A–498).

(B) The term ''contamination'' means the presence of any material exposure to which could cause or substantially contribute to the cancer of a covered employee with cancer or a covered beryllium illness, as the case may be.

SEC. 3152. DEPARTMENT OF ENERGY COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) INTERIM COUNTERINTELLIGENCE POLYGRAPH PROGRAM.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a plan for conducting, as part of the Department of Energy personnel assurance programs, an interim counterintelligence polygraph program consisting of polygraph examinations of Department of Energy employees, or contractor employees, at Department facilities. The purpose of examinations under the interim program is to minimize the potential for release or disclosure of classified data, materials, or information until the program required under subsection (b) is in effect.

(2) The Secretary may exclude from examinations under the interim program any position or class of positions (as determined by the Secretary) for which the individual or individuals in such position or class of positions—

(A) either—

(i) operate in a controlled environment that does not afford an opportunity, through action solely by the individual or individuals, to inflict damage on or impose risks to national security; and

(ii) have duties, functions, or responsibilities which are compartmentalized or supervised such that the individual or individuals do not impose risks to national security; or

(B) do not have routine access to top secret Restricted Data.

(3) The plan shall ensure that individuals who undergo examinations under the interim program receive protections as provided under part 40 of title 49, Code of Federal Regulations.

(4) To ensure that administration of the interim program does not disrupt safe operations of a facility, the plan shall insure notification of the management of the facility at least 14 days in advance of any examination scheduled under the interim program for any employees of the facility.

(5) The plan shall include procedures under the interim program for—

(A) identifying and addressing so-called ''false positive'' results of polygraph examinations; and

(B) ensuring that adverse personnel actions not be taken against an individual solely by reason of the individual's physiological reaction to a question in a polygraph examination, unless reasonable efforts are first made to independently determine through alternative means the veracity of the individual's response to the question.

(b) NEW COUNTERINTELLIGENCE POLYGRAPH PROGRAM.—(1) Not later than six months after obtaining the results of the Polygraph Review, the Secretary shall prescribe a proposed rule containing requirements for a counterintelligence polygraph program for the Department of Energy. The purpose of the program is to minimize the potential for release or disclosure of classified data, materials, or information.

(2) The Secretary shall prescribe the proposed rule under this subsection in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code (commonly referred to as the Administrative Procedures Act).

(3) In prescribing the proposed rule under this subsection, the Secretary may include in requirements under the proposed rule any requirement or exclusion provided for in paragraphs (2) through (5) of subsection (a).

(4) In prescribing the proposed rule under this subsection, the Secretary shall take into account the results of the Polygraph Review.

(c) REPEAL OF EXISTING POLYGRAPH PROGRAM.—Section 3154 of the Department of Energy Facilities Safeguards, Security, and Counterintelligence Enhancement Act of 1999 (subtitle D of title XXXI of Public Law 106–65; 42 U.S.C. 7383h) is repealed.

(d) REPORT ON FURTHER ENHANCEMENT OF PERSONNEL SECURITY PROGRAM.—(1) Not later than December 31, 2002, the Administrator for Nuclear Security shall submit to Congress a report setting forth the recommendations of the Administrator for any legislative action that the Administrator considers appropriate in order to enhance the personnel security program of the Department of Energy.

(2) Any recommendations under paragraph (1) regarding the use of polygraphs shall take into account the results of the Polygraph Review.

(e) DEFINITIONS.—In this section:

(1) The term ''Polygraph Review'' means the review of the Committee to Review the Scientific Evidence on the Polygraph of the National Academy of Sciences.

(2) The term ''Restricted Data'' has the meaning given that term in section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 3153. ONE-YEAR EXTENSION OF AUTHORITY OF DEPARTMENT OF ENERGY TO PAY VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

Section 3161(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public

Law 106–65; 113 Stat. 942; 5 U.S.C. 5597 note) is amended by striking ''January 1, 2003'' and inserting ''January 1, 2004''.

SEC. 3154. ADDITIONAL OBJECTIVE FOR DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITY WORK FORCE RESTRUCTURING PLAN.

Section 3161(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 42 U.S.C. 7274h(c)) is amended by adding at the end the following new paragraph:

''(7) The Department of Energy should provide assistance to promote the diversification of the economies of communities in the vicinity of any Department of Energy defense nuclear facility that may, as determined by the Secretary, be affected by a future restructuring of its work force under the plan.''.

SEC. 3155. MODIFICATION OF DATE OF REPORT OF PANEL TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR STOCKPILE.

Section 3159(d) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 42 U.S.C. 2121 note) is amended by striking ''of each year, beginning with 1999,'' and inserting ''of 1999 and 2000, and not later than February 1, 2002,''.

SEC. 3156. REPORTS ON ACHIEVEMENT OF MILESTONES FOR NATIONAL IGNITION FACILITY.

(a) NOTIFICATION OF ACHIEVEMENT.—The Administrator for Nuclear Security shall notify the congressional defense committees when the National Ignition Facility (NIF), Lawrence Livermore National Laboratory, California, achieves each Level one milestone and Level two milestone for the National Ignition Facility.

(b) REPORT ON FAILURE OF TIMELY ACHIEVEMENT.—Not later than 10 days after the date on which the National Ignition Facility fails to achieve a Level one milestone or Level two milestone for the National Ignition Facility in a timely manner, the Administrator shall submit to the congressional defense committees a report on the failure. The report on a failure shall include—

(1) a statement of the failure of the National Ignition Facility to achieve the milestone concerned in a timely manner;

(2) an explanation for the failure; and

(3) either—

(A) an estimate when the milestone will be achieved; or

(B) if the milestone will not be achieved—

(i) a statement that the milestone will not be achieved;

(ii) an explanation why the milestone will not be achieved; and

(iii) the implications for the overall scope, schedule, and budget of the National Ignition Facility project of not achieving the milestone.

(c) MILESTONES.—For purposes of this section, the Level one milestones and Level two milestones for the National Ignition Facility are as established in the August 2000 revised National Ignition Facility baseline document.

SEC. 3157. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) SUPPORT IN FISCAL YEAR 2002.—From amounts authorized to be appropriated or otherwise made available to the Secretary of Energy by this title—

(1) $6,900,000 shall be available for payment by the Secretary for fiscal year 2002 to the Los Alamos National Laboratory Foundation, a not-for-profit educational foundation chartered in accordance with section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2052); and

(2) $8,000,000 shall be available for extension of the contract between the Department of Energy and the Los Alamos Public Schools through fiscal year 2002.

(b) SUPPORT THROUGH FISCAL YEAR 2004.—Subject to the availability of appropriations for such purposes, the Secretary may—

(1) make a payment for each of fiscal years 2003 and 2004 similar in amount to the payment referred to in subsection (a)(1) for fiscal year 2002; and

(2) provide for a contract extension through fiscal year 2004 similar to the contract extension referred to in subsection (a)(2), including the use of an amount for that purpose in each of fiscal years 2003 and 2004 similar to the amount available for that purpose in fiscal year 2002 under that subsection.

(c) USE OF FUNDS.—The Los Alamos National Laboratory Foundation shall—

(1) use funds provided the Foundation under this section as a contribution to the endowment fund of the Foundation; and

(2) use the income generated from investments in the endowment fund that are attributable to payments made under this section to fund programs to support the educational needs of children in public schools in the vicinity of Los Alamos National Laboratory.

(d) REPORT.—Not later than March 1, 2003, the Administrator for Nuclear Security shall submit to the congressional defense committees a report setting for the following:

(1) An evaluation of the requirements for continued payments after fiscal year 2004 into the endowment fund of the Los Alamos Laboratory Foundation to enable the Foundation to meet the goals of the Department of Energy to support the recruitment and retention of staff at the Los Alamos National Laboratory.

(2) Recommendations regarding the advisability of any further direct support after fiscal year 2004 for the Los Alamos Public Schools.

SEC. 3158. IMPROVEMENTS TO CORRAL HOLLOW ROAD, LIVERMORE, CALIFORNIA.

Of the amounts authorized to be appropriated by section 3101, not more than $325,000 shall be available to the Secretary of Energy for safety improvements to Corral Hollow Road adjacent to Site 300 of Lawrence Livermore National Laboratory, California.

SEC. 3159. ANNUAL ASSESSMENT AND REPORT ON VULNERABILITY OF DEPARTMENT OF ENERGY FACILITIES TO TERRORIST ATTACK.

(a) IN GENERAL.—Part C of title VI of the Department of Energy Organization Act (42 U.S.C. 7251 et seq.) is amended by adding at the end the following new section:

''ANNUAL ASSESSMENT AND REPORT ON VULNERABILITY OF FACILITIES TO TERRORIST ATTACK

''SEC. 663. (a) The Secretary shall, on an annual basis, conduct a comprehensive assessment of the vulnerability of Department facilities to terrorist attack.

''(b) Not later than January 31 each year, the Secretary shall submit to Congress a report on the assessment conducted under subsection (a) during the preceding year. Each report shall include the results of the assessment covered by such report, together with such findings and recommendations as the Secretary considers appropriate.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that Act is amended by inserting after the item relating to section 662 the following new item:

''Sec. 663. Annual assessment and report on vulnerability of facilities to terrorist attack.''.

Subtitle F—Rocky Flats National Wildlife Refuge

SEC. 3171. SHORT TITLE.

This subtitle may be cited as the ''Rocky Flats National Wildlife Refuge Act of 2001''.

SEC. 3172. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) The Federal Government, through the Atomic Energy Commission, acquired the Rocky Flats site in 1951 and began operations there in 1952. The site remains a Department of Energy facility. Since 1992, the mission of the Rocky Flats site has changed from the production of nuclear weapons components to cleanup and closure in a manner that is safe, environmentally and socially responsible, physically secure, and cost-effective.

(2) The site has generally remained undisturbed since its acquisition by the Federal Government.

(3) The State of Colorado is experiencing increasing growth and development, especially in the metropolitan Denver Front Range area in the vicinity of the Rocky Flats site. That growth and development reduces the amount of open space and thereby diminishes for many metropolitan Denver communities the vistas of the striking Front Range mountain backdrop.

(4) Some areas of the site contain contamination and will require further response action. The national interest requires that the ongoing cleanup and closure of the entire site be completed safely, effectively, and without unnecessary delay and that the site thereafter be retained by the United States and managed so as to preserve the value of the site for open space and wildlife habitat.

(5) The Rocky Flats site provides habitat for many wildlife species, including a number of threatened and endangered species, and is marked by the presence of rare xeric tallgrass prairie plant communities. Establishing the site as a unit of the National Wildlife Refuge System will promote the preservation and enhancement of those resources for present and future generations.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to provide for the establishment of the Rocky Flats site as a national wildlife refuge following cleanup and closure of the site;

(2) to create a process for public input on refuge management before transfer of administrative jurisdiction to the Secretary of the Interior; and

(3) to ensure that the Rocky Flats site is thoroughly and completely cleaned up.

SEC. 3173. DEFINITIONS.

In this subtitle:

(1) CLEANUP AND CLOSURE.—The term ''cleanup and closure'' means the response actions and decommissioning activities being carried out at Rocky Flats by the Department of Energy under the 1996 Rocky Flats Cleanup Agreement, the closure plans and baselines, and any other relevant documents or requirements.

(2) COALITION.—The term ''Coalition'' means the Rocky Flats Coalition of Local Governments established by the Intergovernmental Agreement, dated February 16, 1999, among—

(A) the city of Arvada, Colorado;

(B) the city of Boulder, Colorado;

(C) the city of Broomfield, Colorado;

(D) the city of Westminster, Colorado;

(E) the town of Superior, Colorado;

(F) Boulder County, Colorado; and

(G) Jefferson County, Colorado.

(3) HAZARDOUS SUBSTANCE.—The term ''hazardous substance'' means—

(A) any hazardous substance, pollutant, or contaminant regulated under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.); and

(B) any—

(i) petroleum (including any petroleum product or derivative);

(ii) unexploded ordnance;

(iii) military munition or weapon; or

(iv) nuclear or radioactive material;

not otherwise regulated as a hazardous substance under any law in effect on the date of enactment of this Act.

(4) POLLUTANT OR CONTAMINANT.—The term ''pollutant or contaminant'' has the meaning given the term in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

(5) REFUGE.—The term ''refuge'' means the Rocky Flats National Wildlife Refuge established under section 3177.

(6) RESPONSE ACTION.—The term ''response action'' has the meaning given the term ''response'' in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601) or any similar requirement under State law.

(7) RFCA.—The term ''RFCA'' means the Rocky Flats Cleanup Agreement, an intergovernmental agreement, dated July 19, 1996, among—

(A) the Department of Energy;

(B) the Environmental Protection Agency; and

(C) the Department of Public Health and Environment of the State of Colorado.

(8) ROCKY FLATS.—

(A) IN GENERAL.—The term ''Rocky Flats'' means the Rocky Flats Environmental Technology Site, Colorado, a defense nuclear facility, as depicted on the map entitled ''Rocky Flats Environmental Technology Site'', dated July 15, 1998, and available for inspection in the appropriate offices of the United States Fish and Wildlife Service.

(B) EXCLUSIONS.—The term ''Rocky Flats'' does not include—

(i) land and facilities of the Department of Energy's National Wind Technology Center; or

(ii) any land and facilities not within the boundaries depicted on the map identified in subparagraph (A).

(9) ROCKY FLATS TRUSTEES.—The term ''Rocky Flats Trustees'' means the Federal and State of Colorado entities that have been identified as trustees for Rocky Flats under section 107(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(f)(2)).

(10) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

SEC. 3174. FUTURE OWNERSHIP AND MANAGEMENT.

(a) FEDERAL OWNERSHIP.—Except as expressly provided in this subtitle or any Act enacted after the date of enactment of this Act, all right, title, and interest of the United States, held on or acquired after the date of enactment of this Act, to land or interest therein, including minerals, within the boundaries of Rocky Flats shall be retained by the United States.

(b) LINDSAY RANCH.—The structures that comprise the former Lindsay Ranch homestead site in the Rock Creek Reserve area of the buffer zone, as depicted on the map referred to in section 3173(8), shall be permanently preserved and maintained in accordance with the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(c) PROHIBITION ON ANNEXATION.—Neither the Secretary nor the Secretary of the Interior shall allow the annexation of land within the refuge by any unit of local government.

(d) PROHIBITION ON THROUGH ROADS.—Except as provided in subsection (e), no public road shall be constructed through Rocky Flats.

(e) TRANSPORTATION RIGHT-OF-WAY.—

(1) IN GENERAL.—

(A) AVAILABILITY OF LAND.—On submission of an application meeting each of the conditions specified in paragraph (2), the Secretary, in consultation with the Secretary of the Interior, shall make available land along the eastern boundary of Rocky Flats for the sole purpose of transportation improvements along Indiana Street.

(B) BOUNDARIES.—Land made available under this paragraph may not extend more than 300 feet from the west edge of the Indiana Street right-of-way, as that right-of-way exists as of the date of enactment of this Act.

(C) EASEMENT OR SALE.—Land may be made available under this paragraph by easement or sale to 1 or more appropriate entities.

(D) COMPLIANCE WITH APPLICABLE LAW.—Any action under this paragraph shall be taken in compliance with applicable law.

(2) CONDITIONS.—An application for land under this subsection may be submitted by any county, city, or other political subdivision of the State of Colorado and shall include documentation demonstrating that—

(A) the transportation project is constructed so as to minimize adverse effects on the management of Rocky Flats as a wildlife refuge; and

(B) the transportation project is included in the regional transportation plan of the metropolitan planning organization designated for the Denver metropolitan area under section 5303 of title 49, United States Code.

SEC. 3175. TRANSFER OF MANAGEMENT RESPONSIBILITIES AND JURISDICTION OVER ROCKY FLATS.

(a) IN GENERAL.—

(1) MEMORANDUM OF UNDERSTANDING.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary and the Secretary of the Interior shall publish in the Federal Register a draft memorandum of understanding under which—

(i) the Secretary shall provide for the subsequent transfer of administrative jurisdiction over Rocky Flats to the Secretary of the Interior; and

(ii) the Secretary of the Interior shall manage natural resources at Rocky Flats until the date on which the transfer becomes effective.

(B) REQUIRED ELEMENTS.—

(i) IN GENERAL.—Subject to clause (ii), the memorandum of understanding shall—

(I) provide for the division of responsibilities between the Secretary and the Secretary of the Interior necessary to carry out the proposed transfer of land;

(II) for the period ending on the date of the transfer—

(aa) provide for the division of responsibilities between the Secretary and the Secretary of the Interior; and

(bb) provide for the management of the land proposed to be transferred by the Secretary of the Interior as a national wildlife refuge, for the purposes provided under section 3177(d)(2);

(III) provide for the annual transfer of funds from the Secretary to the Secretary of the Interior for the management of the land proposed to be transferred; and

(IV) subject to subsection (b)(1), identify the land proposed to be transferred to the Secretary of the Interior.

(ii) NO REDUCTION IN FUNDS.—The memorandum of understanding and the subsequent transfer shall not result in any reduction in funds available to the Secretary for cleanup and closure of Rocky Flats.

(C) DEADLINE.—Not later than 18 months after the date of enactment of this Act, the Secretary and Secretary of the Interior shall finalize and implement the memorandum of understanding.

(2) EXCLUSIONS.—The transfer under paragraph (1) shall not include the transfer of any property or facility over which the Secretary retains jurisdiction, authority, and control under subsection (b)(1).

(3) CONDITION.—The transfer under paragraph (1) shall occur—

(A) not earlier than the date on which the Administrator of the Environmental Protection Agency certifies to the Secretary and to the Secretary of the Interior that the cleanup and closure and all response actions at Rocky Flats have been completed, except for the operation and maintenance associated with those actions; but

(B) not later than 30 business days after that date.

(4) COST; IMPROVEMENTS.—The transfer—

(A) shall be completed without cost to the Secretary of the Interior; and

(B) may include such buildings or other improvements as the Secretary of the Interior has requested in writing for refuge management purposes.

(b) PROPERTY AND FACILITIES EXCLUDED FROM TRANSFERS.—

(1) IN GENERAL.—The Secretary shall retain jurisdiction, authority, and control over all real property and facilities at Rocky Flats that are to be used for—

(A) any necessary and appropriate long-term operation and maintenance facility to intercept, treat, or control a radionuclide or any other hazardous substance, pollutant, or contaminant; and

(B) any other purpose relating to a response action or any other action that is required to be carried out at Rocky Flats.

(2) CONSULTATION.—

(A) IDENTIFICATION OF PROPERTY.—

(i) IN GENERAL.—The Secretary shall consult with the Secretary of the Interior, the Administrator of the Environmental Protection Agency, and the State of Colorado on the identification of all property to be retained under this subsection to ensure the continuing effectiveness of response actions.

(ii) AMENDMENT TO MEMORANDUM OF UNDERSTANDING.—

(I) IN GENERAL.—After the consultation, the Secretary and the Secretary of the Interior shall by mutual consent amend the memorandum of understanding required under subsection (a) to specifically identify the land for transfer and provide for determination of the exact acreage and legal description of the property to be transferred by a survey mutually satisfactory to the Secretary and the Secretary of the Interior.

(II) COUNCIL ON ENVIRONMENTAL QUALITY.—In the event the Secretary and the Secretary of the Interior cannot agree on the land to be retained or transferred, the Secretary or the Secretary of the Interior may refer the issue to the Council on Environmental Quality, which shall decide the issue within 45 days of such referral, and the Secretary and the Secretary of the Interior shall then amend the memorandum of understanding required under subsection (a) in conformity with the decision of the Council on Environmental Quality.

(B) MANAGEMENT OF PROPERTY.—

(i) IN GENERAL.—The Secretary shall consult with the Secretary of the Interior on the management of the retained property to minimize any conflict between the management of property transferred to the Secretary of the Interior and property retained by the Secretary for response actions.

(ii) CONFLICT.—In the case of any such conflict, implementation and maintenance of the response action shall take priority.

(3) ACCESS.—As a condition of the transfer under subsection (a), the Secretary shall be provided such easements and access as are reasonably required to carry out any obligation or address any liability.

(c) ADMINISTRATION.—

(1) IN GENERAL.—On completion of the transfer under subsection (a), the Secretary of the Interior shall administer Rocky Flats in accordance with this subtitle subject to—

(A) any response action or institutional control at Rocky Flats carried out by or under the authority of the Secretary under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.); and

(B) any other action required under any other Federal or State law to be carried out by or under the authority of the Secretary.

(2) CONFLICT.—In the case of any conflict between the management of Rocky Flats by the Secretary of the Interior and the conduct of any response action or other action described in subparagraph (A) or (B) of paragraph (1), the response action or other action shall take priority.

(3) CONTINUING ACTIONS.—Except as provided in paragraph (1), nothing in this subsection affects any response action or other action initiated at Rocky Flats on or before the date of the transfer under subsection (a).

(d) LIABILITY.—

(1) IN GENERAL.—The Secretary shall retain any obligation or other liability for land transferred under subsection (a) under—

(A) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.); or

(B) any other applicable law.

(2) RESPONSE ACTIONS.—

(A) IN GENERAL.—The Secretary shall be liable for the cost of any necessary response actions, including any costs or claims asserted against the Secretary, for any release, or substantial threat of release, of a hazardous substance, if the release, or substantial threat of release, is—

(i) located on or emanating from land—

(I) identified for transfer by this section; or

(II) subsequently transferred under this section;

(ii)(I) known at the time of transfer; or

(II) subsequently discovered; and

(iii) attributable to—

(I) management of the land by the Secretary; or

(II) the use, management, storage, release, treatment, or disposal of a hazardous substance on the land by the Secretary.

(B) RECOVERY FROM THIRD PARTY.—Nothing in this paragraph precludes the Secretary, on behalf of the United States, from bringing a cost recovery, contribution, or other action against a third party that the Secretary reasonably believes may have contributed to the release, or substantial threat of release, of a hazardous substance.

SEC. 3176. CONTINUATION OF ENVIRONMENTAL CLEANUP AND CLOSURE.

(a) ONGOING CLEANUP AND CLOSURE.—

(1) IN GENERAL.—The Secretary shall—

(A) carry out to completion cleanup and closure at Rocky Flats; and

(B) conduct any necessary operation and maintenance of response actions.

(2) NO RESTRICTION ON USE OF NEW TECHNOLOGIES.—Nothing in this subtitle, and no action taken under this subtitle, restricts the Secretary from using at Rocky Flats any new technology that may become available for remediation of contamination.

(b) RULES OF CONSTRUCTION.—

(1) NO RELIEF FROM OBLIGATIONS UNDER OTHER LAW.—

(A) IN GENERAL.—Nothing in this subtitle, and no action taken under this subtitle, relieves the Secretary, the Administrator of the Environmental Protection Agency, or any other person from any obligation or other liability with respect to Rocky Flats under the RFCA or any applicable Federal or State law.

(B) NO EFFECT ON RFCA.—Nothing in this subtitle impairs or alters any provision of the RFCA.

(2) REQUIRED CLEANUP LEVELS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in this subtitle affects the level of cleanup and closure at Rocky Flats required under the RFCA or any Federal or State law.

(B) NO EFFECT FROM ESTABLISHMENT AS NATIONAL WILDLIFE REFUGE.—

(i) IN GENERAL.—The requirements of this subtitle for establishment and management of Rocky Flats as a national wildlife refuge shall not reduce the level of cleanup and closure.

(ii) CLEANUP LEVELS.—The Secretary shall conduct cleanup and closure of Rocky Flats to the levels established for soil, water, and other media, following a thorough review, by the parties to the RFCA and the public (including the United States Fish and Wildlife Service and other interested government agencies), of the appropriateness of the interim levels in the RFCA.

(3) NO EFFECT ON OBLIGATIONS FOR MEASURES TO CONTROL CONTAMINATION.—Nothing in this subtitle, and no action taken under this subtitle, affects any long-term obligation of the United States, acting through the Secretary, relating to funding, construction, monitoring, or operation and maintenance of—

(A) any necessary intercept or treatment facility; or

(B) any other measure to control contamination.

(c) PAYMENT OF RESPONSE ACTION COSTS.—Nothing in this subtitle affects the obligation of a Federal department or agency that had or has operations at Rocky Flats resulting in the release or threatened release of a hazardous substance or pollutant or contaminant to pay the costs of response actions carried out to abate the release of, or clean up, the hazardous substance or pollutant or contaminant.

(d) CONSULTATION.—In carrying out a response action at Rocky Flats, the Secretary shall consult with the Secretary of the Interior to ensure that the response action is carried out in a manner that—

(1) does not impair the attainment of the goals of the response action; but

(2) minimizes, to the maximum extent practicable, adverse effects of the response action on the refuge.

SEC. 3177. ROCKY FLATS NATIONAL WILDLIFE REFUGE.

(a) ESTABLISHMENT.—Not later than 30 days after the transfer of jurisdiction under section 3175(a), the Secretary of the Interior shall establish at Rocky Flats a national wildlife refuge to be known as the ''Rocky Flats National Wildlife Refuge''.

(b) COMPOSITION.—The refuge shall consist of the real property subject to the transfer of administrative jurisdiction under section 3175(a)(1).

(c) NOTICE.—The Secretary of the Interior shall publish in the Federal Register a notice of the establishment of the refuge.

(d) ADMINISTRATION AND PURPOSES.—

(1) IN GENERAL.—The Secretary of the Interior shall manage the refuge in accordance with applicable law, including this subtitle, the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), and the purposes specified in that Act.

(2) REFUGE PURPOSES.—At the conclusion of the transfer under section 3175(a)(3), the refuge shall be managed for the purposes of—

(A) restoring and preserving native ecosystems;

(B) providing habitat for, and population management of, native plants and migratory and resident wildlife;

(C) conserving threatened and endangered species (including species that are candidates for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.)); and

(D) providing opportunities for compatible, wildlife-dependent environmental scientific research.

(3) MANAGEMENT.—In managing the refuge, the Secretary shall ensure that wildlife-dependent recreation and environmental education and interpretation are the priority public uses of the refuge.

SEC. 3178. COMPREHENSIVE CONSERVATION PLAN.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, in developing a comprehensive conservation plan in accordance with section 4(e) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(e)), the Secretary of the Interior, in consultation with the Secretary, the members of the Coalition, the Governor of the State of Colorado, and the Rocky Flats Trustees, shall establish a comprehensive planning process that involves the public and local communities.

(b) OTHER PARTICIPANTS.—In addition to the entities specified in subsection (a), the comprehensive planning process shall include the opportunity for direct involvement of entities not members of the Coalition as of the date of enactment of this Act, including the Rocky Flats Citizens' Advisory Board and the cities of Thornton, Northglenn, Golden, Louisville, and Lafayette, Colorado.

(c) DISSOLUTION OF COALITION.—If the Coalition dissolves, or if any Coalition member elects to leave the Coalition during the comprehensive planning process under this section—

(1) the comprehensive planning process under this section shall continue; and

(2) an opportunity shall be provided to each entity that is a member of the Coalition as of September 1, 2000, for direct involvement in the comprehensive planning process.

(d) CONTENTS.—In addition to the requirements under section 4(e) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(e)), the comprehensive conservation plan required by this section shall address and make recommendations on the following:

(1) The identification of any land described in section 3174(e) that could be made available for transportation purposes.

(2) The potential for leasing any land in Rocky Flats for the National Renewable Energy Laboratory to carry out projects relating to the National Wind Technology Center.

(3) The characteristics and configuration of any perimeter fencing that may be appropriate or compatible for cleanup and closure, refuge, or other purposes.

(4) The feasibility of locating, and the potential location for, a visitor and education center at the refuge.

(5) Any other issues relating to Rocky Flats.

(e) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Armed Services of the Senate and the Committee on Resources of the House of Representatives—

(1) the comprehensive conservation plan prepared under this section; and

(2) a report that—

(A) outlines the public involvement in the comprehensive planning process; and

(B) to the extent that any input or recommendation from the comprehensive planning process is not accepted, clearly states the reasons why the input or recommendation is not accepted.

SEC. 3179. PROPERTY RIGHTS.

(a) IN GENERAL.—Except as provided in subsection (c), nothing in this subtitle limits any valid, existing property right at Rocky Flats that is owned by any person or entity, including, but not limited to—

(1) any mineral right;

(2) any water right or related easement; and

(3) any facility or right-of-way for a utility.

(b) ACCESS.—Except as provided in subsection (c), nothing in this subtitle affects any right of an owner of a property right described in subsection (a) to access the owner's property.

(c) REASONABLE CONDITIONS.—

(1) IN GENERAL.—The Secretary or the Secretary of the Interior may impose such reasonable conditions on access to property rights described in subsection (a) as are appropriate for the cleanup and closure of Rocky Flats and for the management of the refuge.

(2) NO EFFECT ON APPLICABLE LAW.—Nothing in this subtitle affects any other applicable Federal, State, or local law (including any regulation) relating to the use, development, and management of property rights described in subsection (a).

(3) NO EFFECT ON ACCESS RIGHTS.—Nothing in this subsection precludes the exercise of any access right, in existence on the date of enactment of this Act, that is necessary to perfect or maintain a water right in existence on that date.

(d) PURCHASE OF MINERAL RIGHTS.—

(1) IN GENERAL.—The Secretary shall seek to acquire any and all mineral rights at Rocky Flats through donation or through purchase or exchange from willing sellers for fair market value.

(2) FUNDING.—The Secretary and the Secretary of the Interior—

(A) may use for the purchase of mineral rights under paragraph (1) funds specifically provided by Congress; but

(B) shall not use for such purchase funds appropriated by Congress for the cleanup and closure of Rocky Flats.

(e) UTILITY EXTENSION.—

(1) IN GENERAL.—The Secretary or the Secretary of the Interior may allow not more than one extension from an existing utility right-of-way on Rocky Flats, if necessary.

(2) CONDITIONS.—An extension under paragraph (1) shall be subject to the conditions specified in subsection (c).

(f) EASEMENT SURVEYS.—

(1) IN GENERAL.—Subject to paragraph (2), until the date that is 180 days after the date of enactment of this Act, an entity that possesses a decreed water right or prescriptive easement relating to land at Rocky Flats may carry out such surveys at Rocky Flats as the entity determines are necessary to perfect the right or easement.

(2) LIMITATION ON CONDITIONS.—An activity carried out under paragraph (1) shall be subject only to such conditions as are imposed—

(A) by the Secretary of Energy, before the date on which the transfer of management responsibilities under section 3175(a)(3) is completed, to minimize interference with the cleanup and closure of Rocky Flats; and

(B) by the Secretary of the Interior, on or after the date on which the transfer of management responsibilities under section 3175(a)(3) is completed, to minimize adverse effects on the management of the refuge.

SEC. 3180. ROCKY FLATS MUSEUM.

(a) MUSEUM.—In order to commemorate the contribution that Rocky Flats and its worker force provided to the winning of the Cold War and the impact that the contribution has had on the nearby communities and the State of Colorado, the Secretary may establish a Rocky Flats Museum.

(b) LOCATION.—The Rocky Flats Museum shall be located in the city of Arvada, Colorado, unless, after consultation under subsection (c), the Secretary determines otherwise.

(c) CONSULTATION.—The Secretary shall consult with the city of Arvada, other local communities, and the Colorado State Historical Society on—

(1) the development of the museum;

(2) the siting of the museum; and

(3) any other issues relating to the development and construction of the museum.

(d) REPORT.—Not later than three years after the date of enactment of this Act, the Secretary, in coordination with the city of Arvada, shall submit to the Committee on Armed Services of the Senate and the appropriate committee of the House of Representatives a report on the costs associated with the construction of the museum and any other issues relating to the development and construction of the museum.

SEC. 3181. REPORT ON FUNDING.

At the time of submission of the first budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, after the date of enactment of this Act, and annually thereafter, the Secretary and the Secretary of the Interior shall report to the Committee on Armed Services and the Committee on Appropriations of the Senate and the appropriate committees of the House of Representatives on—

(1) the costs incurred in implementing this subtitle during the preceding fiscal year; and

(2) the funds required to implement this subtitle during the current and subsequent fiscal years.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2002, $18,500,000 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. AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN THE NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials currently contained in the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c). The materials subject to disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Bauxite	40,000 short tons
Chromium Metal	3,512 short tons
Iridium	25,140 troy ounces
Jewel Bearings	30,273,221 pieces
Manganese Ferro HC	209,074 short tons
Palladium	11 troy ounces
Quartz Crystal	216,648 pounds
Tantalum Metal Ingot	120,228 pounds contained
Tantalum Metal Powder	36,020 pounds contained
Thorium Nitrate	600,000 pounds.

(b) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

SEC. 3302. REVISION OF LIMITATIONS ON REQUIRED DISPOSALS OF COBALT IN THE NATIONAL DEFENSE STOCKPILE.

(a) PUBLIC LAW 105–261.—Section 3303 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (112 Stat. 2263; 50 U.S.C. 98d note) is amended—

(1) in subsection (a), by striking ''the amount of—'' and inserting ''total amounts not less than—''; and

(2) in subsection (b)(2), by striking ''receipts in the amounts specified in subsection (a)'' and inserting ''receipts in the total amount specified in such subsection (a)(4)''.

(b) PUBLIC LAW 105–85.—Section 3305 of the National Defense Authorization Act for Fiscal Year 1998 (111 Stat. 2057; 50 U.S.C. 98d note) is amended—

(1) in subsection (a), by striking ''amounts equal to—'' and inserting ''total amounts not less than—''; and

(2) in subsection (b)(2)—

(A) by striking ''may not dispose of cobalt under this section'' and inserting ''may not, under this section, dispose of cobalt in the fiscal year referred to in subsection (a)(5)''; and

(B) by striking ''receipts in the amounts specified in subsection (a)'' and inserting ''receipts during that fiscal year in the total amount specified in such subsection (a)(5)''.

(c) PUBLIC LAW 104–201.—Section 3303 of the National Defense Authorization Act for Fiscal Year 1997 (110 Stat. 2855; 50 U.S.C. 98d note) is amended—

(1) in subsection (a), by striking ''amounts equal to—'' and inserting ''total amounts not less than—''; and

(2) in subsection (b)(2)—

(A) by striking ''may not dispose of materials under this section'' and inserting ''may not, under this section, dispose of materials during the 10-fiscal year period referred to in subsection (a)(2)''; and

(B) by striking ''receipts in the amounts specified in subsection (a)'' and inserting ''receipts during that period in the total amount specified in such subsection (a)(2)''.

SEC. 3303. ACCELERATION OF REQUIRED DISPOSAL OF COBALT IN THE NATIONAL DEFENSE STOCKPILE.

Section 3305(a) of the National Defense Authorization Act for Fiscal Year 1998 (111 Stat. 2057; 50 U.S.C. 98d note) is amended—

(1) in paragraph (1), by striking ''2003'' and inserting ''2002'';

(2) in paragraph (1), by striking ''2004'' and inserting ''2003'';

(3) in paragraph (1), by striking ''2005'' and inserting ''2004'';

(4) in paragraph (1), by striking ''2006'' and inserting ''2005''; and

(5) in paragraph (1), by striking ''2007'' and inserting ''2006''.

SEC. 3304. REVISION OF RESTRICTION ON DISPOSAL OF MANGANESE FERRO.

Section 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 629) is amended—

(1) in subsection (a)—

(A) by striking ''(a) DISPOSAL OF LOWER GRADE MATERIAL FIRST.—The President'' and inserting ''During fiscal year 2002, the President''; and

(B) in the first sentence, by striking ''until completing the disposal of all manganese ferro in the National Defense Stockpile that does not meet such classification''; and

(2) by striking subsections (b) and (c).

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Secretary of Energy $17,371,000 for fiscal year 2002 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title).

(b) AVAILABILITY.—The amount authorized to be appropriated by subsection (a) shall remain available until expended.

MOTION OFFERED BY MR. STUMP

Mr. STUMP. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STUMP moves to strike all after the enacting clause of the bill, S. 1438 and to insert in lieu thereof the provisions of H.R. 2586 as passed by the House.

The text of H.R. 2586 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Defense Authorization Act for Fiscal Year 2002''.

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

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 demilitarization program.
Sec. 107. Defense health programs.
Sec. 108. Additional amount for shipbuilding and conversion, Navy.

Subtitle B—Army Programs

Sec. 111. Extension of multiyear contract for Family of Medium Tactical Vehicles.
Sec. 112. Repeal of limitations on bunker defeat munitions program.

Subtitle C—Air Force Programs

Sec. 121. Responsibility of Air Force for contracts for all defense space launches.
Sec. 122. Multi-year procurement of C–17 aircraft.

Subtitle D—Chemical Munitions Destruction

Sec. 141. Destruction of existing stockpile of lethal chemical agents and munitions.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

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

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Cooperative Department of Defense-Department of Veterans Affairs medical research program.
Sec. 212. Advanced Land Attack Missile program.
Sec. 213. Collaborative program for development of advanced radar systems for naval applications.
Sec. 214. Cost limitation applicable to F–22 aircraft program engineering and manufacturing development.
Sec. 215. C–5 aircraft modernization.

Subtitle C—Ballistic Missile Defense

Sec. 231. Transfer of responsibility for procurement for missile defense programs from Ballistic Missile Defense Organization to military departments.
Sec. 232. Repeal of program element requirements for ballistic missile defense programs.
Sec. 233. Support of ballistic missile defense activities of the Department of Defense by the national defense laboratories of the Department of Energy.
Sec. 234. Missile defense testing initiative.
Sec. 235. Missile Defense System Test Bed Facilities.

Subtitle D—Other Matters

Sec. 241. Establishment of unmanned aerial vehicle joint operational test bed system.
Sec. 242. Demonstration project to increase small business and university participation in Office of Naval Research efforts to extend benefits of science and technology research to fleet.
Sec. 243. Management responsibility for Navy mine countermeasures programs.
Sec. 244. Program to accelerate the introduction of innovative technology in defense acquisition programs.

Subtitle E—Air Force Science and Technology for the 21st Century

Sec. 251. Short title.
Sec. 252. Science and technology investment and development planning.
Sec. 253. Study and report on effectiveness of Air Force science and technology program changes.

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. Transfer from National Defense Stockpile Transaction Fund.

Subtitle B—Environmental Provisions

Sec. 311. Inventory of explosive risk sites at former military ranges.
Sec. 312. National security impact statements.
Sec. 313. Reimbursement for certain costs in connection with Hooper Sands site, South Berwick, Maine.
Sec. 314. River mitigation studies.
Sec. 315. Elimination of annual report on contractor reimbursement for costs of environmental response actions.

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 321. Reserve component commissary benefits.
Sec. 322. Reimbursement for noncommissary use of commissary facilities.
Sec. 323. Civil recovery for nonappropriated fund instrumentality costs related to shoplifting.

Subtitle D—Workforce and Depot Issues

Sec. 331. Workforce review limitations.
Sec. 332. Applicability of core logistics capability requirements to nuclear aircraft carriers.
Sec. 333. Continuation of contractor manpower reporting system in Department of the Army.
Sec. 334. Limitation on expansion of Wholesale Logistics Modernization Program.
Sec. 335. Pilot project for exclusion of certain expenditures from limitation on private sector performance of depot-level maintenance.
Sec. 336. Protections for purchasers of articles and services manufactured or performed by working-capital funded industrial facilities of the Department of Defense.

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. Availability of auxiliary services of defense dependents' education system for dependents who are home school students.
Sec. 343. Report regarding compensation for teachers employed in teaching positions in overseas schools operated by the Department of Defense.

Subtitle F—Other Matters

Sec. 351. Availability of excess defense personal property to support Department of Veterans Affairs initiative to assist homeless veterans.
Sec. 352. Continuation of limitations on implementation of Navy-Marine Corps Intranet contract.
Sec. 353. Completion and evaluation of current demonstration programs to improve quality of personal property shipments of members.
Sec. 354. Expansion of entities eligible for loan, gift, and exchange of documents, historical artifacts, and obsolete combat materiel.
Sec. 355. Sense of Congress regarding security to be provided at the 2002 Winter Olympic Games.

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.

Subtitle B—Reserve Forces

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

Subtitle C—Other Matters Relating to Personnel Strengths

Sec. 421. Increase in percentage by which active component end strengths for any fiscal year may be increased.
Sec. 422. Active duty end strength exemption for National Guard and reserve personnel performing funeral honors functions.
Sec. 423. Increase in authorized strengths for Air Force officers on active duty in the grade of major.

Subtitle D—Authorization of Appropriations

Sec. 431. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—General Personnel Management Authorities

Sec. 501. Enhanced flexibility for management of senior general and flag officer positions.
Sec. 502. Original appointments in regular grades for Academy graduates and certain other new officers.
Sec. 503. Temporary reduction of time-in-grade requirement for eligibility for promotion for certain active-duty list officers in grades of first lieutenant and lieutenant (junior grade).
Sec. 504. Increase in senior enlisted active duty grade limit for Navy, Marine Corps, and Air Force.
Sec. 505. Authority for limited extension of medical deferment of mandatory retirement or separation.
Sec. 506. Authority for limited extension on active duty of members subject to mandatory retirement or separation.
Sec. 507. Clarification of disability severance pay computation.
Sec. 508. Officer in charge of United States Navy Band.
Sec. 509. One-year extension of expiration date for certain force management authorities.

Subtitle B—Reserve Component Personnel Policy

Sec. 511. Placement on active-duty list of certain reserve officers on active duty for a period of three years or less.
Sec. 512. Expanded application of Reserve special selection boards.
Sec. 513. Exception to baccalaureate degree requirement for appointment of reserve officers to grades above first lieutenant.
Sec. 514. Improved disability benefits for certain reserve component members.
Sec. 515. Time-in-grade requirement for reserve component officers with a nonservice connected disability.
Sec. 516. Reserve members considered to be deployed for purposes of personnel tempo management.
Sec. 517. Funeral honors duty performed by Reserve and Guard members to be treated as inactive-duty training for certain purposes.
Sec. 518. Members of the National Guard performing funeral honors duty while in non-Federal status.
Sec. 519. Use of military leave for funeral honors duty by Reserve members and National Guardsmen.
Sec. 520. Preparation for, participation in, and conduct of athletic competitions by the National Guard and members of the National Guard.

Subtitle C—Joint Specialty Officers and Joint Professional Military Education

Sec. 521. Nominations for joint specialty.
Sec. 522. Joint duty credit.
Sec. 523. Retroactive joint service credit for duty in certain joint task forces.
Sec. 524. Revision to annual report on joint officer management.
Sec. 525. Requirement for selection for joint specialty before promotion to general or flag officer grade.
Sec. 526. Independent study of joint officer management and joint professional military education reforms.
Sec. 527. Professional development education.
Sec. 528. Authority for National Defense University to enroll certain private sector civilians.
Sec. 529. Continuation of reserve component professional military education test.

Subtitle D—Military Education and Training

Sec. 531. Defense Language Institute Foreign Language Center.
Sec. 532. Authority for the Marine Corps University to award degree of master of strategic studies.
Sec. 533. Increase in number of foreign students authorized to be admitted to the service academies.
Sec. 534. Increase in maximum age for appointment as a cadet or midshipman in Senior Reserve Officer Training Corps scholarship programs.
Sec. 535. Active duty participation as a cadet or midshipman in Senior ROTC advanced training.
Sec. 536. Authority to modify the service obligation of certain ROTC cadets in military junior colleges receiving financial assistance.
Sec. 537. Modification of nurse officer candidate accession program restriction on students attending educational institutions with Senior Reserve Officers' Training programs.
Sec. 538. Repeal of limitation on number of Junior Reserve Officers' Training Corps (JROTC) units.
Sec. 539. Reserve health professionals stipend program expansion.
Sec. 540. Housing allowance for the Chaplain for the Corps of Cadets, United States Military Academy.

Subtitle E—Decorations, Awards, and Commendations

Sec. 541. Authority for award of the medal of honor to Humbert R. Versace for valor during the Vietnam War.
Sec. 542. Review regarding award of medal of honor to certain Jewish American and Hispanic American war veterans.
Sec. 543. Authority to issue duplicate medal of honor.
Sec. 544. Authority to replace stolen military decorations.
Sec. 545. Waiver of time limitations for award of Navy Distinguished Flying Cross to certain persons.
Sec. 546. Korea Defense Service medal.
Sec. 547. Cold War Service medal.
Sec. 548. Option to convert award of Armed Forces Expeditionary Medal awarded for Operation Frequent Wind to Vietnam Service Medal.
Sec. 549. Sense of Congress on new medal to recognize civilian employees of the Department of Defense killed or wounded as a result of hostile action.

Subtitle F—Matters Relating to Voting

Sec. 551. Voting assessments and assistance for members of the uniformed services.
Sec. 552. Electronic voting demonstration project.

Subtitle G—Matters Relating to Military Spouses and Family Members

Sec. 561. Improved financial and other assistance to military spouses for job training and education.
Sec. 562. Authority to conduct surveys of dependents and survivors of military retirees.
Sec. 563. Clarification of treatment of classified information concerning persons in a missing status.
Sec. 564. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.
Sec. 565. Amendments to charter of Defense Task Force on Domestic Violence.

Subtitle H—Military Justice and Legal Matters

Sec. 571. Requirement that courts-martial consist of not less than 12 members in capital cases.
Sec. 572. Right of convicted accused to request sentencing by military judge.
Sec. 573. Codification of requirement for regulations for delivery of military personnel to civil authorities when charged with certain offenses
Sec. 574. Authority to accept voluntary legal services for members of the Armed Forces.

Subtitle I—Other Matters

Sec. 581. Shipment of privately owned vehicles when making permanent change of station moves within United States.
Sec. 582. Payment of vehicle storage costs in advance.
Sec. 583. Permanent authority for use of military recruiting funds for certain expenses at Department of Defense recruiting functions.
Sec. 584. Clarification of military recruiter access to secondary school directory information about students.
Sec. 585. Repeal of requirement for final Comptroller General report relating to Army end strength allocations.
Sec. 586. Posthumous Army commission in the grade of captain in the Chaplains Corps to Ella E. Gibson for service as chaplain of the First Wisconsin Heavy Artillery regiment during the Civil War.
Sec. 587. National Guard Challenge Program.
Sec. 588. Payment of FEHBP premiums for certain Reservists called to active duty in support of contingency operations.
Sec. 589. 18-month enlistment pilot program.
Sec. 590. Per diem allowance for lengthy or numerous deployments.
Sec. 591. Congressional review period for change in ground combat exclusion policy.
Sec. 592. Report on health and disability benefits for pre-accession training and education programs.
Sec. 593. Requirement to provide appropriate articles of clothing as a civilian uniform for civilians participating in funeral honor details for veterans upon showing of financial need.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Increase in basic pay for fiscal year 2002.
Sec. 602. Basic pay rate for certain reserve commissioned officers with prior service as an enlisted member or warrant officer.
Sec. 603. Subsistence allowances.
Sec. 604. Eligibility for basic allowance for housing while between permanent duty stations.
Sec. 605. Uniform allowance for officers.
Sec. 606. Family separation allowance for certain members electing to serve unaccompanied tour of duty.

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 nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. One-year extension of other bonus and special pay authorities.
Sec. 614. Conforming accession bonus for dental officers authority with authorities for other special pay and bonuses.
Sec. 615. Additional type of duty resulting in eligibility for hazardous duty incentive pay.
Sec. 616. Equal treatment of reservists performing inactive-duty training for receipt of aviation career incentive pay.
Sec. 617. Secretarial discretion in prescribing submarine duty incentive pay rates.
Sec. 618. Imposition of critical wartime skill requirement for eligibility for Individual Ready Reserve bonus.
Sec. 619. Installment payment authority for 15-year career status bonus.
Sec. 620. Accession bonus for new officers.

Subtitle C—Travel and Transportation Allowances

Sec. 631. Minimum per diem rate for travel and transportation allowance for travel performed upon a change of permanent station and certain other travel.
Sec. 632. Payment or reimbursement of temporary subsistence expenses.
Sec. 633. Increased weight allowance for transportation of baggage and household effects for junior enlisted members.
Sec. 634. Reimbursement of members for mandatory pet quarantine fees for household pets.
Sec. 635. Availability of dislocation allowance for married member, whose spouse is a member, assigned to military family housing.
Sec. 636. Elimination of prohibition on receipt of dislocation allowance by members ordered to first duty station.
Sec. 637. Partial dislocation allowance authorized for housing moves ordered for Government convenience.
Sec. 638. Allowances for travel performed in connection with members taking authorized leave between consecutive overseas tours.
Sec. 639. Funded student travel as part of school-sponsored exchange programs.

Subtitle D—Retirement and Survivor Benefit Matters

Sec. 641. Contingent authority for concurrent receipt of military retired pay and veterans' disability compensation.

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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.

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

(1) For aircraft, $1,987,491,000.

(2) For missiles, $1,097,286,000.

(3) For weapons and tracked combat vehicles, $2,367,046,000.

(4) For ammunition, $1,208,565,000.

(5) For other procurement, $4,143,986,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Navy as follows:

(1) For aircraft, $8,337,243,000.

(2) For weapons, including missiles and torpedoes, $1,476,692,000.

(3) For shipbuilding and conversion, $9,321,121,000.

(4) For other procurement, $4,157,313,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Marine Corps in the amount of $1,025,624,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement of ammunition for the Navy and the Marine Corps in the amount of $463,507,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Air Force as follows:

(1) For aircraft, $10,705,687,000.
(2) For missiles, $3,226,336,000.
(3) For ammunition, $871,344,000.
(4) For other procurement, $8,250,821,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2002 for Defense-wide procurement in the amount of $2,267,346,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2002 for procurement for the Inspector General of the Department of Defense in the amount of $1,800,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 2002 the amount of $1,078,557,000 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 2002 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 $267,915,000.

SEC. 108. ADDITIONAL AMOUNT FOR SHIPBUILDING AND CONVERSION, NAVY.

(a) INCREASE IN SCN AMOUNT.—The amount provided in section 102(a)(3) for shipbuilding and conversion for the Navy is hereby increased by $57,100,000, to be available for the U.S.S. Eisenhower (CVN–69) Refueling Complex Overhaul program.

(b) OFFSET.—The amount provided in section 301(5) is hereby reduced by $57,100,000, to be derived from amounts for consulting services.

Subtitle B—Army Programs

SEC. 111. EXTENSION OF MULTIYEAR CONTRACT FOR FAMILY OF MEDIUM TACTICAL VEHICLES.

In order to ensure that an adequate number of vehicles of the ''A1'' variant of the Family of Medium Tactical Vehicles program continue to be fielded to the Army, the Secretary of the Army may extend for one additional year the existing multiyear procurement contract, authorized by section 112(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648) and awarded on October 14, 1998, for procurement of vehicles under that program (notwithstanding the maximum period for such contracts otherwise applicable under section 2306b(k) of title 10, United States Code) if the Secretary determines that it is necessary to do so in order to prevent a break in production of those vehicles.

SEC. 112. REPEAL OF LIMITATIONS ON BUNKER DEFEAT MUNITIONS PROGRAM.

Section 116 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2682) is repealed.

Subtitle C—Air Force Programs

SEC. 121. MULTI-YEAR PROCUREMENT OF C–17 AIRCRAFT.

If the Secretary of Defense certifies to the congressional defense committees before the enactment of this Act that it is in the interest of the Department of Defense to proceed with a follow-on multi-year procurement of additional C–17 aircraft, then the Secretary may, in accordance with section 2306b of title 10, United States Code, enter into a new multi-year procurement contract or extend the current multi-year procurement contract beginning in fiscal year 2002 to procure up to 60 additional C–17 aircraft in order to meet the Department's airlift requirements.

Subtitle D—Chemical Munitions Destruction

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

Section 152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 50 U.S.C. 1521 note) is amended—

(1) in subsection (b)—

(A) by inserting ''for that site'' after ''in place''; and

(B) by adding at the end the following new paragraphs:

''(4) Emergency preparedness and response capabilities have been established at the site and in the surrounding communities to respond to emergencies involving risks to public health or safety that are identified by the Secretary of Defense as being risks resulting from the storage or destruction of lethal chemical agents and munitions at the site.

''(5) The Under Secretary of Defense for Acquisition, Technology, and Logistics recommends initiation of destruction at the site after considering the recommendation by the board established by subsection (g).''; and

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

''(g) OVERSIGHT BOARDS.—(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall convene, for each site at which the chemical munitions stockpile is stored, an independent oversight board composed of—

''(A) the Secretary of the Army;

''(B) the Director of the Federal Emergency Management Agency;

''(C) the Administrator of the Environmental Protection Agency;

''(D) the President of the National Academy of Sciences;

''(E) the Governor of the State in which the site is located; and

''(F) one individual designated by the Under Secretary from a list of three local representatives of the area in which the site is located, prepared jointly by the Member of the House of Representatives who represents the Congressional District in which the site is located and the Senators representing the State in which the site is located.

''(2) Not later than six months after each such board is convened, the board shall make a recommendation to the Under Secretary whether the destruction of the chemical munitions stockpile should be initiated at the site.

''(3) The Under Secretary may not recommend initiation of destruction of the chemical munitions stockpile at a site after considering a negative recommendation of the board until 90 days after the Under Secretary provides notice to Congress of the intent to recommend initiation of destruction.''.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

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

(1) For the Army, $6,749,025,000.
(2) For the Navy, $10,863,274,000.
(3) For the Air Force, $14,455,653,000.
(4) For Defense-wide activities, $15,591,978,000, of which $217,355,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 2002.—Of the amounts authorized to be appropriated by section 201, $4,973,843,000 shall be available for basic research and applied research projects.

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

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. COOPERATIVE DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL RESEARCH PROGRAM.

Of the funds authorized to be appropriated by section 201(4), $5,000,000 shall be available for the cooperative Department of Defense/Department of Veterans Affairs medical research program. The Secretary of Defense shall transfer such amount to the Secretary of Veterans Affairs for such purpose not later than 30 days after the date of the enactment of this Act.

SEC. 212. ADVANCED LAND ATTACK MISSILE PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall establish a competitive program for the development of an advanced land attack missile for the DD–21 land attack destroyer and other naval combatants.

(b) REPORT.—The Secretary of Defense shall submit to the congressional defense committees, with the submission of the budget request for the Department of Defense for fiscal year 2003, a report providing the program plan for the Advanced Land Attack Missile program, the schedule for that program, and funding required for that program.

(c) FUNDING.—Of the amount authorized to be appropriated under section 201(2) for research, development, test, and evaluation for the Navy, $20,000,000 shall be available in PE 0603795N for the Advanced Land Attack Missile program.

SEC. 213. COLLABORATIVE PROGRAM FOR DEVELOPMENT OF ADVANCED RADAR SYSTEMS FOR NAVAL APPLICATIONS.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program to develop and demonstrate advanced technologies and concepts leading to advanced radar systems for naval and other applications.

(b) DESCRIPTION OF PROGRAM.—The program under subsection (a) shall be carried out collaboratively pursuant to a memorandum of agreement to be entered into by the Director of Defense Research and Engineering, the Secretary of the Navy, and the Director of the Defense Advanced Research Projects Agency. The program shall include the following activities:

(1) Activities needed to develop and deploy advanced electronics materials, including specifically wide band gap electronics components needed to extend the range and sensitivity of naval radars.

(2) Identification of acquisition systems for use of the new technology.

(c) REPORT.—Not later than January 31, 2002, the Director of Defense Research and Engineering, the Secretary of the Navy, and the Director of the Defense Advanced Research Projects Agency shall submit to the congressional defense committees a joint report on the implementation of the program under subsection (a). The report shall include the following:

(1) A description of the memorandum of agreement referred to in subsection (b).

(2) A schedule for the program.

(3) Identification of the funding required for fiscal year 2003 and for the future-years defense program to carry out the program.

(4) A list of program capability goals and objectives.

(d) FUNDING.—(1) Of the amount authorized to be appropriated for Defense-wide activities by section 201(4) for the Defense Advanced Research Projects Agency, $41,000,000

shall be available for applied research and maturation of high frequency and high power wide band gap semiconductor electronics technology to carry out the program under subsection (a).

(2) Of the amount authorized to be appropriated by section 201(2) for the Department of the Navy, $15,500,000 shall be available to carry out the program under subsection (a).

SEC. 214. COST LIMITATION APPLICABLE TO F–22 AIRCRAFT PROGRAM ENGINEERING AND MANUFACTURING DEVELOPMENT.

Section 217(c)(3) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660) is amended by inserting ''plus $250,000,000'' after ''and (2))''.

SEC. 215. C–5 AIRCRAFT MODERNIZATION.

(a) INCREASE IN AIR FORCE RDTE AMOUNT.—The amount provided in section 201(3) for Research, Development, Test, and Evaluation for the Air Force is hereby increased by $30,000,000, to be available for Reengining and Avionics Modernization for the C-5 aircraft.

(b) OFFSET.—The amount provided in section 301(5) is hereby reduced by $30,000,000, to be derived from amounts for consulting services.

Subtitle C—Ballistic Missile Defense

SEC. 231. TRANSFER OF RESPONSIBILITY FOR PROCUREMENT FOR MISSILE DEFENSE PROGRAMS FROM BALLISTIC MISSILE DEFENSE ORGANIZATION TO MILITARY DEPARTMENTS.

(a) BUDGETING OF MISSILE DEFENSE PROCUREMENT AUTHORITY.—(1) Subsection (a) of section 224 of title 10, United States Code is amended by striking ''procurement'' both places it appears and inserting ''research, development, test, and evaluation''.

(2) Such section is further amended by striking subsections (b) and (c) and inserting the following:

''(b) COVERED PROGRAMS.—Subsection (a) applies to any ballistic missile defense program for which research, development, test, and evaluation is carried out by the Ballistic Missile Defense Organization.''.

(3)(A) The heading of that section is amended to read as follows:

''§ 224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation''.

(B) The item relating to section 224 in the table of sections at the beginning of chapter 9 of such title is amended to read as follows:

''224. Ballistic missile defense programs: display of amounts for research, development, test, and evaluation.''.

(b) TRANSFER CRITERIA.—The Secretary of Defense shall establish, and submit to the congressional defense committees, criteria for the transfer of ballistic missile defense programs from the Ballistic Missile Defense Organization to the military departments. Those criteria shall, at a minimum, address technical maturity of the program, availability of facilities for production, and service commitment to procurement funding.

(c) NOTIFICATION OF TRANSFER.—Before responsibility for a ballistic missile defense program is transferred from the Ballistic Missile Defense Organization to the Secretary of a military department, the Secretary of Defense shall submit to the congressional defense committees notice in writing of the Secretary's intent to make that transfer. The Secretary shall include with such notice a certification that the program has met the criteria established under subsection (b) for such a transfer. The transfer may then be carried out after the end of the 60-day period beginning on the date of such notice.

SEC. 232. REPEAL OF PROGRAM ELEMENT REQUIREMENTS FOR BALLISTIC MISSILE DEFENSE PROGRAMS.

(a) REPEAL.—Section 223 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 9 of such title is amended by striking the item relating to section 223.

SEC. 233. SUPPORT OF BALLISTIC MISSILE DEFENSE ACTIVITIES OF THE DEPARTMENT OF DEFENSE BY THE NATIONAL DEFENSE LABORATORIES OF THE DEPARTMENT OF ENERGY.

(a) FUNDS TO CARRY OUT CERTAIN BALLISTIC MISSILE DEFENSE ACTIVITIES.—Of the amounts authorized to be appropriated to the Department of Defense pursuant to section 201(4), $25,000,000 shall be available, subject to subsection (b) and at the discretion of the Director of the Ballistic Missile Defense Organization, for research, development, and demonstration activities at the national laboratories of the Department of Energy in support of the missions of the Ballistic Missile Defense Organization, including the following activities:

(1) Technology development, concept demonstration, and integrated testing to enhance performance, reduce risk, and improve reliability in hit-to-kill interceptors for ballistic missile defense.

(2) Support for science and engineering teams to assess critical technical problems and prudent alternative approaches as agreed upon by the Director of the Ballistic Missile Defense Organization and the Administrator for Nuclear Security.

(b) REQUIREMENT FOR MATCHING FUNDS FROM NNSA.—Funds shall be available as provided in subsection (a) only if the Administrator for Nuclear Security makes available matching funds for the activities referred to in subsection (a).

(c) MEMORANDUM OF UNDERSTANDING.—The activities referred to in subsection (a) shall be carried out under the memorandum of understanding entered into by the Secretary of Energy and the Secretary of Defense for the use of national laboratories for ballistic missile defense programs, as required by section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034) and modified pursuant to 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) to provide for jointly funded projects.

SEC. 234. MISSILE DEFENSE TESTING INITIATIVE.

(a) TESTING INFRASTRUCTURE.—(1) The Secretary of Defense shall ensure that each annual budget request of the Department of Defense—

(A) is designed to provide for comprehensive testing of ballistic missile defense programs during early stages of development; and

(B) includes necessary funding to support and improve test infrastructure and provide adequate test assets for the testing of such programs.

(2) The Secretary shall ensure that ballistic missile defense programs incorporate, to the greatest possible extent, operationally realistic test configurations (referred to as ''test bed'' configurations) to demonstrate system performance across a broad range of capability and, during final stages of operational testing, to demonstrate reliable performance.

(3) The Secretary shall ensure that the test infrastructure for ballistic missile defense programs is capable of supporting continued testing of ballistic missile defense systems after deployment.

(b) REQUIREMENTS FOR EARLY STAGES OF SYSTEM DEVELOPMENT.—In order to demonstrate acceptable risk and developmental stability, the Secretary of Defense shall ensure that any ballistic missile defense program incorporates, to the maximum extent practicable, the following elements during the early stages of system development:

(1) Pursuit of parallel conceptual approaches and technological paths for all critical problematic components until effective and reliable solutions can be demonstrated.

(2) Comprehensive ground testing in conjunction with flight-testing for key elements of the proposed system that are considered to present high risk, with such ground testing to make use of existing facilities and combinations of facilities that support testing at the highest possible levels of integration.

(3) Where appropriate, expenditures to enhance the capabilities of existing test facilities, or to construct new test facilities, to support alternative complementary test methodologies.

(4) Sufficient funding of test instrumentation to ensure accurate measurement of all critical test events and, where possible, incorporation of mobile assets to enhance flexibility in test configurations.

(5) Incorporation into the program of sufficient schedule flexibility and expendable test assets, including missile interceptors and targets, to ensure that failed or aborted tests can be repeated in a prudent, but expeditious manner.

(6) Incorporation into flight-test planning for the program, where possible, of—

(A) methods referred to as ''campaign testing'' and ''test through failure'' and other appropriate test methods in order to reduce costs per test event;

(B) events to demonstrate engagement of multiple targets, ''shoot-look-shoot'', and other planned operational concepts; and

(C) exploitation of opportunities to facilitate early development and demonstration of ''family of systems'' concepts.

(c) SPECIFIC REQUIREMENTS FOR GROUND-BASED MID-COURSE INTERCEPTOR SYSTEMS.—For ground-based mid-course interceptor systems, the Secretary of Defense shall initiate steps during fiscal year 2002 to establish a flight-test capability of launching not less than three missile defense interceptors and not less than two ballistic missile targets to provide a realistic test infrastructure.

SEC. 235. MISSILE DEFENSE SYSTEM TEST BED FACILITIES.

(a) AUTHORITY TO ACQUIRE OR CONSTRUCT FACILITIES.—(1) The Secretary of Defense, using funds appropriated to the Department of Defense for research, development, test, and evaluation for fiscal years after fiscal year 2001 that are available for programs of the Ballistic Missile Defense Organization, may carry out construction projects, or portions of construction projects, including projects for the acquisition, improvement, or construction of facilities of general utility, to establish and operate the Missile Defense System Test Bed Facilities.

(2) The authority provided in paragraph (1) may be used to acquire, improve, or construct facilities at a total cost not to exceed $500,000,000.

(b) AUTHORITY TO PROVIDE ASSISTANCE TO LOCAL COMMUNITIES.—(1) Subject to paragraph (2), the Secretary of Defense, using funds appropriated to the Department of Defense for research, development, test, and evaluation for fiscal years after fiscal year 2001 that are available for programs of the Ballistic Missile Defense Organization, may provide assistance, by grant or otherwise, to local communities to meet the need for increased municipal or community services or facilities resulting from the construction, installation, or operation of the Missile Defense System Test Bed Facilities.

(2) Assistance may be provided to a community under paragraph (1) only if the Secretary of Defense determines that there is an immediate and substantial increase in the need for municipal or community services or facilities as a direct result of the construction, installation, or operation of the Missile Defense System Test Bed Facilities.

Subtitle D—Other Matters

SEC. 241. ESTABLISHMENT OF UNMANNED AERIAL VEHICLE JOINT OPERATIONAL TEST BED SYSTEM.

(a) ESTABLISHMENT OF TEST BED SYSTEM.—The commander of the United States Joint Forces Command shall establish a capability (referred to as a ''test bed'') within the facilities and resources of that command to evaluate and ensure joint interoperability of unmanned aerial vehicle systems. That capability shall be independent of the military departments and shall be managed directly by the Joint Forces Command.

(b) REQUIRED TRANSFER OF PREDATOR UAV ASSETS.—The Secretary of the Navy shall transfer to the commander of the Joint Forces Command the two Predator unmanned aerial vehicles currently undergoing operational testing by the Navy, together with associated payloads and antennas and the associated tactical control system (TCS) ground station.

(c) USE BY JOINT FORCES COMMAND.—The items transferred pursuant to subsection (a) may be used by the commander of the United States Joint Forces Command only through the independent joint operational test bed system established pursuant to subsection (a) for testing of those items, including further development of the associated tactical control system (TCS) ground station, other aspects of unmanned aerial vehicle interoperability, and participation in such experiments and exercises as the commander considers appropriate to the mission of that command.

(d) DEADLINE FOR TRANSFERS.—The transfers required by subsection (b) shall be completed not later than 90 days after the date of the enactment of this Act.

(e) TRANSFER WHEN NO LONGER REQUIRED BY JOINT FORCES COMMAND.—Upon a determination by the commander of the United States Joint Forces Command that any of the items transferred pursuant to subsection (a) are no longer needed by that command for use as provided in subsection (c), those items shall be transferred to the Secretary of the Air Force.

SEC. 242. DEMONSTRATION PROJECT TO INCREASE SMALL BUSINESS AND UNIVERSITY PARTICIPATION IN OFFICE OF NAVAL RESEARCH EFFORTS TO EXTEND BENEFITS OF SCIENCE AND TECHNOLOGY RESEARCH TO FLEET.

(a) PROJECT REQUIRED.—The Secretary of the Navy, acting through the Chief of Naval Research, shall carry out a demonstration project to increase access to Navy facilities of small businesses and universities that are engaged in science and technology research beneficial to the fleet.

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

(1) establish and operate a Navy Technology Extension Center at a location to be selected by the Secretary;

(2) permit participants in the Small Business Innovation Research Program (SBIR) and Small Business Technology Transfer Program (STTR) that are awarded contracts by Office of Naval Research to acccess and use Navy facilities without charge for purposes of carrying out such contracts; and

(3) permit universities, institutions of higher learning, and Federally Funded Research and Development Centers (FFRDC) collaborating with SBIR and STTR participants to use Navy facilities.

(c) REPORT.—Not later than February 1, 2004, the Secretary shall submit to Congress a report on the demonstration project. The report shall include a description of the activities carried out under the demonstration project and any recommendations for the improvement or expansion of the demonstration project that the Secretary considers appropriate.

SEC. 243. MANAGEMENT RESPONSIBILITY FOR NAVY MINE COUNTERMEASURES PROGRAMS.

Section 216(a) 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 by striking ''through 2003'' and inserting ''through 2008''.

SEC. 244. PROGRAM TO ACCELERATE THE INTRODUCTION OF INNOVATIVE TECHNOLOGY IN DEFENSE ACQUISITION PROGRAMS.

(a) PROGRAM REQUIRED.—The Secretary of Defense 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. The program, to be known as the Challenge Program, shall provide an individual 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 at the component, subsystem, or system level of that acquisition program.

(b) PANEL.—(1) In carrying out the Challenge Program, the Secretary of Defense shall establish a panel of highly qualified scientists and engineers (hereinafter in this section referred to as the ''Panel'') under the auspices of the Under Secretary of Defense for Acquisition, Technology, and Logistics. The duty of the Panel shall be to carry out review and evaluation of challenge proposals under subsection (c).

(2) A member of the Panel may not participate in any review and evaluation of a challenge proposal under subsection (c) if at any time within the previous five years that member has, in any capacity, participated in or been affiliated with the Department of Defense program for which the challenge proposal is proposed.

(c) REVIEW AND EVALUATION OF CHALLENGE PROPOSALS.—(1) Under procedures prescribed by the Secretary, an individual or activity within or outside the Department of Defense may submit challenge proposals to the Panel.

(2) The Panel shall carry out an expedited evaluation of each challenge proposal submitted under paragraph (1) to determine whether a prima facie case has been made that the challenge proposal will result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program. If the Panel determines that such a case has not been made, the Panel may turn down the challenge proposal. In any other case, the Panel shall provide for a full review of the challenge proposal under paragraph (3).

(3) In carrying out a full review of a challenge proposal, the Panel shall ensure the following:

(A) Any incumbent that would be displaced by the implementation of the challenge proposal is provided notice of the challenge proposal and a full opportunity to demonstrate why the challenge proposal should not be implemented.

(B) Notice of the full review of the challenge proposal is published in one or more appropriate commercial publications of national circulation.

(C) If one or more other challenge proposals are submitted on matters relating to the challenge proposal being reviewed, the Panel shall, to the maximum extent practicable, carry out a full review of those other challenge proposals together with the full review of the original challenge proposal.

(4) The Secretary of Defense shall ensure that the Panel, in carrying out review and evaluation of challenge proposals under this subsection, has the authority to call upon the technical resources of the laboratories, research, development, and engineering centers, test and evaluation activities, and other elements of the Department.

(d) FINDINGS OF SUBSTANTIAL SUPERIORITY.—If, after the full review of a challenge proposal is completed, the Panel finds that the challenge proposal will result in improvements in performance, affordability, manufacturability, or operational capability at the component, subsystem, or system level of the applicable acquisition program that are substantially superior to that of the incumbent, the Panel shall submit that finding to the Under Secretary.

(e) ACTION UPON FINDINGS.—Upon receiving a finding under subsection (d), the Under Secretary shall carry out a plan to acquire and implement the challenge proposal with respect to which the finding was made. The Secretary shall carry out such plan—

(1) after canceling the contract of any incumbent that would be displaced by the implementation of the challenge proposal; or

(2) after an appropriate program milestone (such as the expiration of such a contract) has been reached.

(f) ELIMINATION OF CONFLICTS OF INTEREST.—In carrying out each review and evaluation under subsection (c), the Secretary shall ensure the elimination of conflicts of interest.

(g) FUNDING.—Of the funds authorized to be appropriated by section 201(4) for Defense-wide research, development, test, and evaluation for fiscal year 2002, $40,000,000 shall be available in PE 63826D8Z for the Challenge Program required by this section.

(h) REPORT.—The Secretary shall submit to Congress, with the submission of the budget request for the Department of Defense for each fiscal year beginning with fiscal year 2003, a report on the implementation of this section. The report shall include the number and scope of challenge proposals submitted, reviewed and evaluated, found to be substantially superior, and implemented.

Subtitle E—Air Force Science and Technology for the 21st Century

SEC. 251. SHORT TITLE.

This subtitle may be cited as the ''Air Force Science and Technology for the 21st Century Act''.

SEC. 252. SCIENCE AND TECHNOLOGY INVESTMENT AND DEVELOPMENT PLANNING.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Air Force should carry out each of the following:

(1) Continue and improve efforts to ensure that—

(A) the Air Force science and technology community is represented, and the recommendations of that community are considered, at all levels of program planning and budgetary decisionmaking within the Air Force;

(B) advocacy for science and technology development is institutionalized across all levels of Air Force management in a manner that is not dependent on individuals; and

(C) the value of Air Force science and technology development is made increasingly apparent to the warfighters, by linking the needs of those warfighters with decisions on science and technology development.

(2) Complete and adopt a policy directive that provides for changes in how the Air Force makes budgetary and nonbudgetary decisions with respect to its science and technology development programs and how it carries out those programs.

(3) At least once every five years, conduct a review of the long-term challenges and short-term objectives of the Air Force science and technology programs that is consistent with the review specified in section 252 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–46).

(4) Ensure that development and science and technology planning and investment activities are carried out for future space warfighting systems and for future nonspace warfighting systems in an integrated manner.

(5) Elevate the position within the Office of the Secretary of the Air Force that has primary responsibility for budget and policy decisions for science and technology programs.

(b) REINSTATEMENT OF DEVELOPMENT PLANNING.—(1) The Secretary of the Air Force shall reinstate and implement a revised development planning process that provides for each of the following:

(A) Coordinating the needs of Air Force warfighters with decisions on science and technology development.

(B) Giving input into the establishment of priorities among science and technology programs.

(C) Analyzing Air Force capability options for the allocation of Air Force resources.

(D) Developing concepts for technology, warfighting systems, and operations with which the Air Force can achieve its critical future goals.

(E) Evaluating concepts for systems and operations that leverage technology across Air Force organizational boundaries.

(F) Ensuring that a ''system-of-systems'' approach is used in carrying out the various Air Force capability planning exercises.

(G) Utilizing existing analysis capabilities within the Air Force product centers in a collaborative and integrated manner.

(2) Not later than one year after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a report on the implementation of the planning process required by paragraph (1). The report shall include the annual amount that the Secretary considers necessary to carry out paragraph (1).

SEC. 253. STUDY AND REPORT ON EFFECTIVENESS OF AIR FORCE SCIENCE AND TECHNOLOGY PROGRAM CHANGES.

(a) REQUIREMENT.—The Secretary of the Air Force, in cooperation with the National Research Council of the National Academy of Sciences, shall carry out a study to determine how the changes to the Air Force science and technology program implemented during the past two years affect the future capabilities of the Air Force.

(b) MATTERS STUDIED.—(1) The study shall independently review and assess whether such changes as a whole are sufficient to ensure the following:

(A) That the concerns about the management of the science and technology program that have been raised by the Congress, the Defense Science Board, the Air Force Science Advisory Board, and the Air Force Association have been adequately addressed.

(B) That appropriate and sufficient technology is available to ensure the military superiority of the United States and counter future high-risk threats.

(C) That the science and technology investments are balanced to meet the near-, mid-, and long-term needs of the Air Force.

(D) That technologies are made available that can be used to respond flexibly and quickly to a wide range of future threats.

(E) That the Air Force organizational structure provides for a sufficiently senior level advocate of science and technology to ensure an ongoing, effective presence of the science and technology community during the budget and planning process.

(2) In addition, the study shall independently assess the specific changes to the Air Force science and technology program as follows:

(A) Whether the biannual science and technology summits provide sufficient visibility into, and understanding and appreciation of, the value of the science and technology program to the senior level of Air Force budget and policy decisionmakers.

(B) Whether the applied technology councils are effective in contributing the input of all levels beneath the senior leadership into the coordination, focus, and content of the science and technology program.

(C) Whether the designation of the commander of the Air Force Materiel Command as the science and technology budget advocate is effective to assure that an adequate budget top line is set.

(D) Whether the revised development planning process is effective to aid in the coordination of the needs of the Air Force warfighters with decisions on science and technology investments and the establishment of priorities among different science and technology programs.

(E) Whether the implementation of section 252 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–46) is effective to identify the basis for the appropriate science and technology program top line and investment portfolio.

(c) REPORT.—Not later than 60 days after the date on which the study required by subsection (a) is completed, the Secretary of the Air Force shall submit to Congress the results of the study.

(d) FUNDING.—Of the amount made available pursuant to section 201(3) for research, development, test, and evaluation for the Air Force, $950,000 shall be available only to carry out this section.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2002 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, $21,015,280,000.

(2) For the Navy, $26,587,962,000.

(3) For the Marine Corps, $2,898,114,000.

(4) For the Air Force, $25,811,462,000.

(5) For Defense-wide activities, $11,922,131,000.

(6) For the Army Reserve, $1,814,246,000.

(7) For the Naval Reserve, $1,003,690,000.

(8) For the Marine Corps Reserve, $144,023,000.

(9) For the Air Force Reserve, $2,017,866,000.

(10) For the Army National Guard, $3,705,359,000.

(11) For the Air National Guard, $3,967,361,000.

(12) For the Defense Inspector General, $152,021,000.

(13) For the United States Court of Appeals for the Armed Forces, $9,096,000.

(14) For Environmental Restoration, Army, $389,800,000.

(15) For Environmental Restoration, Navy, $257,517,000.

(16) For Environmental Restoration, Air Force, $385,437,000.

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

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

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

(20) For Drug Interdiction and Counterdrug Activities, Defense-wide, $820,381,000.

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

(22) For Defense Health Program, $17,570,750,000.

(23) For Cooperative Threat Reduction programs, $403,000,000.

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

(25) Support for International Sporting Competitions, Defense, $15,800,000.

SEC. 302. WORKING CAPITAL FUNDS.

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

(1) For the Defense Working Capital Funds, $1,951,986,000.

(2) For the National Defense Sealift Fund, $407,708,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2002 from the Armed Forces Retirement Home Trust Fund the sum of $71,440,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 2002 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

Subtitle B—Environmental Provisions

SEC. 311. INVENTORY OF EXPLOSIVE RISK SITES AT FORMER MILITARY RANGES.

(a) INVENTORY REQUIRED.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2710. Former military ranges: inventory of explosive risk sites; use of inventory; public safety issues

''(a) DEFINITIONS.—In this section:

''(1) The term 'former military range' means a military range presently located in the United States that—

''(A) is or was owned by, leased to, or otherwise possessed or used by the Federal Government;

''(B) is designated as a closed, transferred, or transferring military range (rather than as an active or inactive range); or

''(C) is or was used as a site for the disposal of military munitions or for the use of military munitions in training or research, development, testing, and evaluation.

''(2) The term 'abandoned military munitions' means unexploded ordnance and other abandoned military munitions, including components thereof and chemical weapons materiel, that pose a threat to human health or safety.

''(3) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions.

''(4) The term 'United States', in a geographic sense, includes the Commonwealth of Puerto Rico and the territories and possessions.

''(b) INVENTORY REQUIRED.—(1) The Secretary of Defense shall develop and maintain an inventory of former military ranges that are known or suspected to contain abandoned military munitions.

''(2) The information for each former military range in the inventory shall include, at a minimum, the following:

''(A) A unique identifier for the range and its current designation as either a closed, transferred, or transferring range.

''(B) An appropriate record showing the location, boundaries, and extent of the range, including identification of the State and political subdivisions of the State in which the range is located and any Tribal lands encompassed by the range.

''(C) Known persons and entities, other than a military department, with any current ownership interest or control of lands encompassed by the range.

''(D) Any restrictions or other land use controls currently in place that might affect the potential for public and environmental exposure to abandoned military munitions.

''(c) SITE PRIORITIZATION.—(1) With respect to each former military range included on the inventory, the Secretary of Defense shall assign the range a relative priority for response activities based on the overall conditions at the range. The level of response priority assigned the range shall be included with the information required by subsection (b)(2) to be maintained for the range.

''(2) In assigning the response priority for a former military range, the Secretary of Defense shall primarily consider factors relating to safety and environmental hazard potential, such as the following:

''(A) Whether there are known, versus suspected, abandoned military munitions on all or any portion of the range and the types of munitions present or suspected to be present.

''(B) Whether public access to the range is controlled, and the effectiveness of these controls.

''(C) The potential for direct human contact with abandoned military munitions at the range and evidence of people entering the range.

''(D) Whether a response action has been or is being undertaken at the range under the Formerly Used Defense Sites program or other programs.

''(E) The planned or mandated dates for transfer of the range from military control.

''(F) The extent of any documented incidents involving abandoned military munitions at or from the range. In this subparagraph, the term 'incidents' means any or all of the following: explosions, discoveries, injuries, reports, and investigations.

''(G) The potential for drinking water contamination or the release of weapon components into the air.

''(H) The potential for destruction of sensitive ecosystems and damage to natural resources.

''(d) UPDATES AND AVAILABILITY.—(1) The Secretary of Defense shall annually update the inventory and site prioritization list to reflect new information that becomes available. The inventory shall be available in published and electronic form.

''(2) The Secretary of Defense shall work with adjacent communities to provide information concerning conditions at the former military range and response activities, and shall respond to inquiries. At a minimum, the Secretary shall notify immediately affected individuals, appropriate State, local, tribal, and Federal officials, and, when appropriate, civil defense or emergency management agencies.''.

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

''2710. Former military ranges: inventory of explosive risk sites; use of inventory; public safety issues.''.

(b) INITIAL INVENTORY.—The inventory required by section 2710 of title 10, United States Code, as added by subsection (a), shall be completed and made available not later than one year after the date of the enactment of this Act.

SEC. 312. NATIONAL SECURITY IMPACT STATEMENTS.

(a) EVALUATION OF NATIONAL SECURITY IMPACTS REQUIRED.—(1) Chapter 160 of title 10, United States Code, is amended by inserting after section 2710, as added by section 311, the following new section:

''§ 2711. Environmental impact statements and environmental assessments: evaluation of national security impacts of proposed action and alternatives

''(a) AGENCY ACTION.—Whenever an environmental impact statement or environmental assessment is required under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) to be prepared in connection with a proposed Department of Defense action, the Secretary of Defense shall include as a part of the environmental impact statement or environmental assessment a detailed evaluation of the impact of the proposed action, and each alternative to the proposed action considered in the statement or assessment, on national security, including the readiness, training, testing, and operations of the armed forces.

''(b) AGENCY INPUT.—The Secretary of Defense shall also include the evaluation required by subsection (a) in any input provided by the Department of Defense as a cooperating agency to a lead agency preparing an environmental impact statement or environmental assessment.''.

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

''2711. Environmental impact statements and environmental assessments: evaluation of national security impacts of proposed action and alternatives.''.

(b) EFFECTIVE DATE.—Section 2711 of title 10, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act and apply with respect to any environmental impact statement or environmental assessment prepared by the Secretary of Defense that has not been released in final form as of that date.

SEC. 313. REIMBURSEMENT FOR CERTAIN COSTS IN CONNECTION WITH HOOPER SANDS SITE, SOUTH BERWICK, MAINE.

Using amounts authorized to be appropriated by section 301(15) for environmental restoration for the Navy, the Secretary of the Navy may pay $1,005,478 to the Hooper Sands Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) to reimburse the Environmental Protection Agency in full for certain response costs incurred by the Environmental Protection Agency for actions taken pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) at the Hooper Sands site in South Berwick, Maine, pursuant to an interagency agreement entered into by the Department of the Navy and the Environmental Protection Agency in January 2001.

SEC. 314. RIVER MITIGATION STUDIES.

(a) PORT OF ORANGE, SABINE RIVER.—The Secretary of Defense may conduct a study regarding mitigation needs in connection with protruding structures and submerged objects remaining from the World War II Navy ship building industry located at the former Navy installation in Orange, Texas, which create navigational hazards along the Sabine River and surrounding the Port of Orange.

(b) PHILADELPHIA NAVAL SHIPYARD, DELAWARE RIVER.—The Secretary of Defense may conduct a study regarding mitigation needs in connection with floating and partially submerged debris possibly relating to the Philadelphia Naval Shipyard in that portion of the Delaware River from Philadelphia to the mouth of the river which create navigational hazards along the river.

(c) USE OF EXISTING INFORMATION.—In conducting the studies authorized by this section, the Secretary shall take into account any information available from other studies conducted in connection with the same navigation channels.

(d) CONSULTATION.—The Secretary shall conduct the studies authorized by this section in consultation with appropriate State and local government entities and Federal agencies.

(e) REPORT ON STUDY RESULTS.—Not later than April 30, 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report that summarizes the results of the studies conducted under this section.

(f) COST SHARING.—Nothing in this section is intended to require non-Federal cost sharing of the costs incurred by the Secretary of Defense to conduct the studies authorized by this section.

(g) REMOVAL AUTHORITY.—Consistent with existing laws, using funds authorized to be appropriated for these purposes, and after providing notice to Congress, the Secretary of Defense may work with the other Federal, State, local, and private entities—

(1) to remove the protruding structures and submerged objects along the Sabine River and surrounding the Port of Orange that resulted from the abandonment of the ship building industry and Navy installation in Orange, Texas; and

(2) to remove floating and partially submerged debris in the portion of the Delaware River subject to the study under subsection (b).

(h) RELATION TO OTHER LAWS AND AGREEMENTS.—This section is not intended to modify any authorities provided to the Secretary of the Army by the Water Resources Development Act of 1986 (33 U.S.C. 2201 et seq.), nor is it intended to modify any non-Federal cost-sharing responsibilities outlined in any local cooperation agreements.

SEC. 315. ELIMINATION OF ANNUAL REPORT ON CONTRACTOR REIMBURSEMENT FOR COSTS OF ENVIRONMENTAL RESPONSE ACTIONS.

Section 2706 of title 10, United States Code, is amended by striking subsection (c).

Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 321. RESERVE COMPONENT COMMISSARY BENEFITS.

(a) ELIGIBILITY FOR COMMISSARY BENEFITS.—Section 1063 of title 10, United States Code, is amended—

(1) by striking subsection (a);

(2) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively; and

(3) by inserting after the section heading the following new subsections:

''(a) ELIGIBILITY.—Subject to subsection (c), the Secretary concerned shall authorize members of the Ready Reserve described in subsection (b) to have 24 days of eligibility to use commissary stores of the Department of Defense for any calendar year.

''(b) COVERED MEMBERS.—Subsection (a) applies with respect to the following members of the Ready Reserve:

''(1) A member of the Selected Reserve who is satisfactorily participating in required training as prescribed in section 10147(a)(1) of this title or section 502(a) of title 32 in that calendar year.

''(2) A member of the Ready Reserve (other than a member described in paragraph (1)) who satisfactorily completes 50 or more points credible under section 12732(a)(2) of this title in that calendar year.

''(c) REDUCED NUMBER OF COMMISSARY VISITS FOR NEW MEMBERS.—The number of commissary visits authorized for a member of the Selected Reserve described in subsection (b)(1) who enters the Selected Reserve after the beginning of the calendar year shall be equal to twice the number of full months remaining in the calendar year.''.

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

''§ 1063. Use of commissary stores: members of Ready Reserve''.

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

''1063. Use of commissary stores: members of Ready Reserve.''.

SEC. 322. REIMBURSEMENT FOR NONCOMMISSARY USE OF COMMISSARY FACILITIES.

Section 2685 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(f) REIMBURSEMENT FOR NONCOMMISSARY USE OF COMMISSARY FACILITIES.—(1) If the Secretary concerned uses for noncommissary purposes a commissary facility whose construction was financed (in whole or in part) using the proceeds of adjustments or surcharges authorized by subsection (a) or revenues referred to in subsection (e), the Secretary concerned shall reimburse the commissary surcharge account for the depreciated value of the investment made with such proceeds and revenues.

''(2) In paragraph (1), the term 'construction' has the meaning given such term in subsection (d)(2).''.

SEC. 323. CIVIL RECOVERY FOR NONAPPROPRIATED FUND INSTRUMENTALITY COSTS RELATED TO SHOPLIFTING.

Section 3701(b)(1)(B) of title 31, United States Code, is amended by inserting before the comma at the end the following: '', including actual and administrative costs related to shoplifting, theft detection, and theft prevention''.

Subtitle D—Workforce and Depot Issues

SEC. 331. WORKFORCE REVIEW LIMITATIONS.

(a) LIMITATION PENDING GAO REPORT.—No more than 50 percent of the workforce reviews planned during fiscal year 2002 may be initiated before the date that is the earlier of (1) May 1, 2002, or (2) the date on which the Comptroller General submits to Congress the report required by section 832 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–221), regarding policies and procedures governing the transfer of commercial activities from Government personnel to Federal contractors.

(b) REQUIRED COST SAVINGS LEVEL FOR CHANGE.—(1) A commercial or industrial type function of the Department of Defense may not be changed to performance by the private sector as a result of a workforce review unless, as a result of the cost comparison examination required as part of the review that employed the most efficient organization process described in Office of Management and Budget Circular A–76 or any successor administrative regulation or policy, at least a 10-percent cost savings would be achieved by performance of the function by the private sector over the term of the contract.

(2) The cost savings requirement specified in paragraph (1) does not apply to any contracts for special studies and analyses, construction services, architectural services, engineering services, medical services, scientific and technical services related to (but not in support of) research and development, and depot-level maintenance and repair services.

(3) The Secretary of Defense may waive the cost savings requirement if—

(A) the written waiver is prepared by the Secretary of Defense, or the relevant Assistant Secretary or agency head; and

(B) the written waiver is accompanied by a detailed determination that national security interests are so compelling as to preclude compliance with the requirement for a cost comparison examination.

(C) The Secretary of Defense shall publish a copy of the waiver in the Federal Register.

(c) WORKFORCE REVIEW DEFINED.—In this section, the term ''workforce review'' with respect to a function of the Department of Defense performed by Department of Defense civilian employees, means a review conducted under Office of Management and Budget Circular A–76 (or any successor administrative regulation or policy).

SEC. 332. APPLICABILITY OF CORE LOGISTICS CAPABILITY REQUIREMENTS TO NUCLEAR AIRCRAFT CARRIERS.

Section 2464(a)(3) of title 10, United States Code, is amended by striking ''nuclear aircraft carriers'' and inserting ''nuclear refueling of aircraft carriers''.

SEC. 333. CONTINUATION OF CONTRACTOR MANPOWER REPORTING SYSTEM IN DEPARTMENT OF THE ARMY.

Section 343 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 569) is amended—

(1) by striking subsection (a) and inserting the following new subsection (a):

''(a) REPORTING REQUIREMENT FOR DEPARTMENT OF THE ARMY.—(1) Not later than March 1 of each fiscal year, the Secretary of the Army shall submit to Congress a report describing the use during the previous fiscal year of non-Federal entities to provide services to the Department of the Army.

''(2) The data collection required to prepare the report is deemed to be in compliance with the requirements of chapter 35 of title 44, United States Code, commonly known as the Paperwork Reduction Act.

''(3) The report required by this section is needed to comply with sections 115a and 129a of title 10, United States Code, and is not a procurement action.'';

(2) by striking ''Department of Defense'' each place it appears and inserting ''Department of the Army''; and

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

''(d) GAO EVALUATION.—Not later than 60 days after the Secretary submits to Congress the report required under subsection (a) for a fiscal year, the Comptroller General shall submit to Congress an evaluation of the report.''.

SEC. 334. LIMITATION ON EXPANSION OF WHOLESALE LOGISTICS MODERNIZATION PROGRAM.

(a) LIMITATION.—The Secretary of the Army may not authorize the expansion of the Wholesale Logistics Modernization Program beyond the original legacy systems included in the scope of the contract awarded in December 1999 until the Secretary certifies to Congress that the original legacy systems have been successfully replaced.

(b) GAO EVALUATION.—Not later than 60 days after the Secretary of the Army submits to Congress the certification required under subsection (a), the Comptroller General shall submit to Congress an evaluation of the certification.

SEC. 335. PILOT PROJECT FOR EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2474 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(g) PILOT PROJECT FOR THE EXCLUSION OF CERTAIN EXPENDITURES FROM LIMITATION ON PRIVATE SECTOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.—

''(1) AMOUNTS EXCLUDED.—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 named in paragraph (4) shall not be counted for the purposes of section 2466(a) of this title if the personnel are provided by private industry pursuant to a public-private partnership undertaken by the Center under subsection (b).

''(2) FUNDS FOR FISCAL YEARS 2002 THROUGH 2006.—The funds referred to in paragraph (1) are funds available to the Air Force for depot-level maintenance and repair workloads for fiscal year 2002, 2003, 2004, 2005, or 2006, and shall not exceed 10 percent of the total funds available in any single year.

''(3) REPORTING REQUIREMENTS.—All funds covered by paragraph (1) shall be included as a separate item in the reports required under paragraphs (1), (2), and (3) of section 2466(e) of this title.

''(4) COVERED CENTERS.—(A) The Centers of Industrial and Technical Excellence referred to in paragraph (1) are the following:

''(i) Oklahoma City Air Logistics Center, Oklahoma.

''(ii) Ogden Air Logistics Center, Utah.

''(iii) Warner-Robins Air Logistics Center, Georgia.

''(B) The Secretary of the Air Force shall designate as a Center of Industrial and Technical Excellence under this section any of the air logistics centers named in subparagraph (A) that have not previously been so designated and shall specify the core competencies for which the designation is made.''.

SEC. 336. PROTECTIONS FOR PURCHASERS OF ARTICLES AND SERVICES MANUFACTURED OR PERFORMED BY WORKING-CAPITAL FUNDED INDUSTRIAL FACILITIES OF THE DEPARTMENT OF DEFENSE..

(a) GENERAL RULE.—Section 2563(c) of title 10, United States Code, is amended—

(1) in paragraph (1)(B), by striking ''in any case of willful misconduct or gross negligence'' and inserting ''as provided in paragraph (3)''; and

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

''(3) Paragraph (1)(B) does not apply in any case of willful misconduct or gross negligence or in the case of a claim by a purchaser of articles or services under this section that damages or injury arose from the failure of the Government to comply with quality, schedule, or cost performance requirements in the contract to provide the articles or services.''.

(b) CONFORMING AMENDMENT.—Section 2474(e)(2)(B)(i) of such title is amended by striking ''in a case of willful conduct or gross negligence'' and inserting ''under the circumstances described in section 2563(c)(3) of this title''.

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 2002.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities—

(1) $30,000,000 shall be available only for the purpose of providing educational agencies assistance to local educational agencies; and

(2) $1,000,000 shall be available only for the purpose of making payments to local educational agencies to assist such agencies in adjusting to reductions in the number of military dependent students as a result of the closure or realignment of military installations, as provided in section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(b) NOTIFICATION.—Not later than June 30, 2002, the Secretary of Defense shall notify each local educational agency that is eligible for assistance or a payment under subsection (a) for fiscal year 2002 of—

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

(2) the amount of the assistance or payment 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. AVAILABILITY OF AUXILIARY SERVICES OF DEFENSE DEPENDENTS' EDUCATION SYSTEM FOR DEPENDENTS WHO ARE HOME SCHOOL STUDENTS.

Section 1407 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) AUXILIARY SERVICES AVAILABLE TO HOME SCHOOL STUDENTS.—(1) A dependent who is educated in a home school setting, but who is eligible to enroll in a school of the defense dependents' education system, shall be permitted to use or receive auxiliary services of that school without being required to either enroll in that school or register for a minimum number of courses offered by that school. The dependent may be required to satisfy other eligibility requirements applicable to students actually enrolled in that school who use or receive the same auxiliary services.

''(2) For purposes of paragraph (1), the term 'auxiliary services' includes registration in individual courses, use of academic resources, access to the library of the school, after hours use of school facilities, and participation in music, sports, and other extracurricular and interscholastic activities.''.

SEC. 343. REPORT REGARDING COMPENSATION FOR TEACHERS EMPLOYED IN TEACHING POSITIONS IN OVERSEAS SCHOOLS OPERATED BY THE DEPARTMENT OF DEFENSE.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report evaluating the method currently used by the Secretary to fix the basic compensation for teachers and teaching positions in the Department of Defense under the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 901 et seq.). The report shall include the recommendations of the Secretary regarding a proposal to increase such compensation to reflect the average of the range of rates of basic compensation for similar teaching positions of a comparable level of duties and responsibilities for teachers employed in public schools in the District of Columbia metropolitan area, which includes the District of Columbia Public Schools, Arlington Public Schools, Alexandria City Public Schools, Fairfax County Public Schools, Montgomery County Public Schools, and Prince George's County Public Schools.

Subtitle F—Other Matters

SEC. 351. AVAILABILITY OF EXCESS DEFENSE PERSONAL PROPERTY TO SUPPORT DEPARTMENT OF VETERANS AFFAIRS INITIATIVE TO ASSIST HOMELESS VETERANS.

(a) TRANSFER AUTHORITY.—Section 2557(a) of title 10, United States Code, is amended—

(1) by striking ''The Secretary'' and inserting ''(1) The Secretary''; and

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

''(2) The Secretary of Defense may make excess clothing, shoes, sleeping bags, and related nonlethal excess supplies available to the Secretary of Veterans Affairs for distribution to homeless veterans and programs assisting homeless veterans. The transfer of nonlethal excess supplies to the Secretary of Veterans Affairs under this paragraph shall be without reimbursement.''.

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

''§ 2557. Excess nonlethal supplies: availability for homeless veteran initiatives and humanitarian relief''.

(2) The table of sections at the beginning of chapter 152 of such title is amended by striking the item relating to section 2557 and inserting the following new item:

''2557. Excess nonlethal supplies: availability for homeless veteran initiatives and humanitarian relief.''.

SEC. 352. CONTINUATION OF LIMITATIONS ON IMPLEMENTATION OF NAVY-MARINE CORPS INTRANET CONTRACT.

(a) EXCLUSION OF MARINE CORPS.—Subsection (c) of section 814 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–215) is amended—

(1) by striking ''PROHIBITION ON INCREASE OF RATES CHARGED.—'' and inserting ''PROHIBITIONS.—(1)'';

(2) by striking ''fiscal year 2001'' and inserting ''fiscal year 2002''; and

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

''(2) The Navy Intranet contract may not include any activities of the Marine Corps.''.

(b) LIMITATION ON PHASED IMPLEMENTATION.—Subsection (b)(4) of such section is amended—

(1) by striking ''fiscal year 2001'' both places it appears and inserting ''fiscal year 2002''; and

(2) by striking ''Marine Corps, the naval shipyards, or'' both places it appears and inserting ''naval shipyards or''.

SEC. 353. COMPLETION AND EVALUATION OF CURRENT DEMONSTRATION PROGRAMS TO IMPROVE QUALITY OF PERSONAL PROPERTY SHIPMENTS OF MEMBERS.

(a) COMPLETION.—The Secretary of Defense shall conduct to completion all demonstration programs in the Department of Defense that were designed to improve the movement of household goods of members of the Armed Forces and were being conducted or authorized as of October 1, 2000,

(b) EVALUATION.—Not later than August 31, 2002, the Secretary of Defense shall submit to Congress a report evaluating whether the demonstration programs referred to in subsection (a), as implemented, satisfy the goals (as contained in the General Accounting Report NSIAD 97–49) for such demonstration programs previously agreed upon between the Department of Defense and representatives of private sector entities involved in the transportation of household goods for members of the Armed Forces.

(c) INTERIM REPORTS.—Not later than January 15, 2002, and April 15, 2002, the Secretary shall submit to Congress interim reports regarding the progress of the demonstration programs referred to in subsection (a).

SEC. 354. EXPANSION OF ENTITIES ELIGIBLE FOR LOAN, GIFT, AND EXCHANGE OF DOCUMENTS, HISTORICAL ARTIFACTS, AND OBSOLETE COMBAT MATERIEL.

Section 2572(a)(1) of title 10, United States Code, is amended by inserting before the period at the end the following: '', county, or other political subdivision of a State''.

SEC. 355. SENSE OF CONGRESS REGARDING SECURITY TO BE PROVIDED AT THE 2002 WINTER OLYMPIC GAMES.

It is the sense of Congress that the Secretary of Defense should provide essential and appropriate public safety and security support for the 2002 Winter Olympic Games in Salt Lake City, Utah.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

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

(1) The Army, 480,000.

(2) The Navy, 376,000.

(3) The Marine Corps, 172,600.

(4) The Air Force, 358,800.

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

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

(1) in paragraph (2), by striking ''372,000'' and inserting ''376,000''; and

(2) in paragraph (4), by striking ''357,000'' and inserting ''358,800''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

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, 2002, as follows:

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

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 87,000.

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

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

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

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

(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.

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, 2002, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,974.

(2) The Army Reserve, 13,108.

(3) The Naval Reserve, 14,811.

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

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

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

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 2002 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, 23,128.

(2) For the Army Reserve, 5,999.

(3) For the Air National Guard of the United States, 22,422.

(4) For the Air Force Reserve, 9,818.

SEC. 414. FISCAL YEAR 2002 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

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

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

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

(3) For the Air Force Reserve, 90.

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

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

SEC. 415. LIMITATIONS ON NUMBERS OF RESERVE PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES FOR ADMINISTRATION OF RESERVE COMPONENTS.

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

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

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of officers of that reserve component who may be serving in the grade of:		
	Major	Lieutenant Colonel	Colonel
Army Reserve:			
10,000	1,390	740	230
11,000	1,529	803	242
12,000	1,668	864	252
13,000	1,804	924	262
14,000	1,940	984	272
15,000	2,075	1,044	282
16,000	2,210	1,104	291
17,000	2,345	1,164	300
18,000	2,479	1,223	309
19,000	2,613	1,282	318
20,000	2,747	1,341	327
21,000	2,877	1,400	336
Army National Guard:			
20,000	1,500	850	325
22,000	1,650	930	350
24,000	1,790	1,010	370
26,000	1,930	1,085	385
28,000	2,070	1,160	400
30,000	2,200	1,235	405
32,000	2,330	1,305	408
34,000	2,450	1,375	411
36,000	2,570	1,445	411
38,000	2,670	1,515	411
40,000	2,770	1,580	411
42,000	2,837	1,644	411
Marine Corps Reserve:			
1,100	106	56	20
1,200	110	60	21
1,300	114	63	22
1,400	118	66	23
1,500	121	69	24
1,600	124	72	25
1,700	127	75	26
1,800	130	78	27
1,900	133	81	28
2,000	136	84	29
2,100	139	87	30
2,200	141	90	31
2,300	143	92	32
2,400	145	94	33
2,500	147	96	34
2,600	149	98	35
Air Force Reserve:			
500	83	85	50
1,000	155	165	95
1,500	220	240	135
2,000	285	310	170
2,500	350	369	203
3,000	413	420	220
3,500	473	464	230

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of officers of that reserve component who may be serving in the grade of:		
	Major	Lieutenant Colonel	Colonel
4,000	530	500	240
4,500	585	529	247
5,000	638	550	254
5,500	688	565	261
6,000	735	575	268
7,000	770	595	280
8,000	805	615	290
10,000	835	635	300
Air National Guard:			
5,000	333	335	251
6,000	403	394	260
7,000	472	453	269
8,000	539	512	278
9,000	606	571	287
10,000	673	630	296
11,000	740	688	305
12,000	807	742	314
13,000	873	795	323
14,000	939	848	332
15,000	1,005	898	341
16,000	1,067	948	350
17,000	1,126	998	359
18,000	1,185	1,048	368
19,000	1,235	1,098	377
20,000	1,283	1,148	380.

''(2) Of the total number of members of the Naval Reserve who are serving on full-time reserve component duty at the end of any fiscal year, the number of those members who may be serving in each of the grades of lieutenant commander, commander, and captain may not, as of the end of that fiscal year, exceed the number determined in accordance with the following table:

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

''(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the appropriate table in paragraph (1) or (2) of subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in that table at the same proportion as is reflected in the nearest limit shown in the table.

''(c) REALLOCATIONS TO LOWER GRADES.—Whenever the number of officers serving in any grade for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the two numbers may be applied to increase the number authorized under this section for any lower grade.

''(d) SECRETARIAL WAIVER.—(1) Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve officers that may be on full-time reserve component duty for a reserve component in a grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for the grade in that table.

''(2) Whenever the Secretary exercises the authority provided in paragraph (1), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice in writing of the adjustment made.

''(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term 'full-time reserve component duty' means the following duty:

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

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

''(3) Active duty described in section 708 of title 32.''.

(b) SENIOR ENLISTED MEMBERS.—The text of section 12012 of title 10, United States Code, is amended to read as follows:

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

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of members of that reserve component who may be serving in the grade of:	E–8 / E–9
Army Reserve:		
10,000	1,052	154

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of members of that reserve component who may be serving in the grade of:	E–8
		E–9
11,000	1,126	168
12,000	1,195	180
13,000	1,261	191
14,000	1,327	202
15,000	1,391	213
16,000	1,455	224
17,000	1,519	235
18,000	1,583	246
19,000	1,647	257
20,000	1,711	268
21,000	1,775	278
Army National Guard:		
20,000	1,650	550
22,000	1,775	615
24,000	1,900	645
26,000	1,945	675
28,000	1,945	705
30,000	1,945	725
32,000	1,945	730
34,000	1,945	735
36,000	1,945	738
38,000	1,945	741
40,000	1,945	743
42,000	1,945	743
Naval Reserve:		
10,000	340	143
11,000	364	156
12,000	386	169
13,000	407	182
14,000	423	195
15,000	435	208
16,000	447	221
17,000	459	234
18,000	471	247
19,000	483	260
20,000	495	273
21,000	507	286
22,000	519	299
23,000	531	312
24,000	540	325
Marine Corps Reserve:		
1,100	50	11
1,200	55	12
1,300	60	13
1,400	65	14
1,500	70	15
1,600	75	16
1,700	80	17
1,800	85	18
1,900	89	19
2,000	93	20
2,100	96	21
2,200	99	22
2,300	101	23
2,400	103	24
2,500	105	25
2,600	107	26
Air Force Reserve:		
500	75	40
1,000	145	75
1,500	208	105
2,000	270	130
2,500	325	150
3,000	375	170
3,500	420	190
4,000	460	210
4,500	495	230
5,000	530	250
5,500	565	270
6,000	600	290
7,000	670	330
8,000	740	370
10,000	800	400
Air National Guard:		
5,000	1,020	405
6,000	1,070	435
7,000	1,120	465
8,000	1,170	490
9,000	1,220	510
10,000	1,270	530
11,000	1,320	550
12,000	1,370	570
13,000	1,420	589
14,000	1,470	608
15,000	1,520	626
16,000	1,570	644
17,000	1,620	661
18,000	1,670	678

''Total number of members of a reserve component serving on full-time reserve component duty:	Number of members of that reserve component who may be serving in the grade of: E–8	E–9
19,000	1,720	695
20,000	1,770	712.

''(b) DETERMINATIONS BY INTERPOLATION.—If the total number of members of a reserve component serving on full-time reserve component duty is between any two consecutive numbers in the first column of the table in subsection (a), the corresponding authorized strengths for each of the grades shown in that table for that component are determined by mathematical interpolation between the respective numbers of the two strengths. If the total number of members of a reserve component serving on full-time reserve component duty is more or less than the highest or lowest number, respectively, set forth in the first column of the table in subsection (a), the Secretary concerned shall fix the corresponding strengths for the grades shown in the table at the same proportion as is reflected in the nearest limit shown in the table.

''(c) REALLOCATIONS TO LOWER GRADE.—Whenever the number of officers serving in pay grade E–9 for duty described in subsection (a) is less than the number authorized for that grade under this section, the difference between the two numbers may be applied to increase the number authorized under this section for pay grade E–8.

''(d) SECRETARIAL WAIVER.—(1) Upon determining that it is in the national interest to do so, the Secretary of Defense may increase for a particular fiscal year the number of reserve enlisted members that may be on active duty or full-time National Guard duty as described in subsection (a) for a reserve component in a pay grade referred to in a table in subsection (a) by a number that does not exceed the number equal to 5 percent of the maximum number specified for that grade and reserve component in the table.

''(2) Whenever the Secretary exercises the authority provided in paragraph (1), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives notice in writing of the adjustment made.

''(e) FULL-TIME RESERVE COMPONENT DUTY DEFINED.—In this section, the term 'full-time reserve component duty' has the meaning given the term in section 12011(e) of this title.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

Subtitle C—Other Matters Relating to Personnel Strengths

SEC. 421. INCREASE IN PERCENTAGE BY WHICH ACTIVE COMPONENT END STRENGTHS FOR ANY FISCAL YEAR MAY BE INCREASED.

(a) INCREASE.—Section 115(c)(1) of title 10, United States Code, is amended by striking ''1 percent'' and inserting ''2 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 422. ACTIVE DUTY END STRENGTH EXEMPTION FOR NATIONAL GUARD AND RESERVE PERSONNEL PERFORMING FUNERAL HONORS FUNCTIONS.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraphs:

''(10) Members of reserve components on active duty to prepare for and to perform funeral honors functions for funerals of veterans in accordance with section 1491 of this title.

''(11) Members on full-time National Guard duty to prepare for and perform funeral honors functions for funerals of veterans in accordance with section 1491 of this title.''.

SEC. 423. INCREASE IN AUTHORIZED STRENGTHS FOR AIR FORCE OFFICERS ON ACTIVE DUTY IN THE GRADE OF MAJOR.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking the figures under the heading ''Major'' in the portion of the table relating to the Air Force and inserting the following:

''9,861
10,727
11,593
12,460
13,326
14,192
15,058
15,925
16,792
17,657
18,524
19,389
20,256
21,123
21,989
22,855
23,721
24,588
25,454''.

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2002 a total of $82,279,101,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2002.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—General Personnel Management Authorities

SEC. 501. ENHANCED FLEXIBILITY FOR MANAGEMENT OF SENIOR GENERAL AND FLAG OFFICER POSITIONS.

(a) REPEAL OF LIMIT ON NUMBER OF OFFICERS ON ACTIVE DUTY IN GRADES OF GENERAL AND ADMIRAL.—Section 528 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 32 of such title is amended by striking the item relating to section 528.

SEC. 502. ORIGINAL APPOINTMENTS IN REGULAR GRADES FOR ACADEMY GRADUATES AND CERTAIN OTHER NEW OFFICERS.

(a) REPEAL OF REQUIREMENT FOR ONE YEAR OF ACTIVE DUTY IN A RESERVE GRADE.—Section 532(e) of title 10, United States Code, is repealed.

(b) MILITARY ACADEMY GRADUATES.—Section 4353(b) of such title is amended to read as follows:

''(b) A cadet who completes the prescribed course of instruction, is qualified for an original appointment in a regular component under section 532 of this title, and meets such other criteria for appointment as a commissioned officer in the Army as may be prescribed by the Secretary of the Army shall, upon graduation, be appointed a second lieutenant in the Regular Army under section 531 of this title, unless appointed under that section in a regular component of one of the other armed forces in accordance with section 541 of this title.''.

(c) NAVAL ACADEMY GRADUATES.—Section 6967 of such title is amended—

(1) by inserting ''(a)'' before ''Under regulations''; and

(2) by adding at the end the following:

''(b) A midshipman who completes the prescribed course of instruction, is qualified for an original appointment in a regular component under section 532 of this title, and meets such other criteria for appointment as a commissioned officer in the naval service as may be prescribed by the Secretary of the Navy shall, upon graduation, be appointed an ensign in the Regular Navy or a second lieutenant in the Regular Marine Corps under section 531 of this title, unless appointed under that section in a regular component of one of the other armed forces in accordance with section 541 of this title.''.

(d) AIR FORCE ACADEMY GRADUATES.—Section 9353(b) of such title is amended to read as follows:

''(b) A cadet who completes the prescribed course of instruction, is qualified for an original appointment in a regular component under section 532 of this title, and meets such other criteria for appointment as a commissioned officer in the Air Force as may be prescribed by the Secretary of the Air Force shall, upon graduation, be appointed a second lieutenant in the Regular Air Force under section 531 of this title, unless appointed under that section in a regular component of one of the other armed forces in accordance with section 541 of this title.''.

(e) ROTC DISTINGUISHED GRADUATES.—Section 2106(a) of such title is amended by adding at the end the following new sentence: ''However, a member of the program selected for an appointment under this section who, under regulations prescribed by the Secretary of the military department concerned, is designated or selected as a Distinguished Graduate (or the equivalent) shall be appointed as a regular officer.''.

(f) OTHER COMMISSIONING PROGRAMS.—(1) Chapter 33 of such title is amended by adding at the end the following new section:

''§ 542. Distinguished Graduates of officer commissioning programs other than service academies and ROTC

''A person who is selected for an original appointment as a commissioned officer in the Army, Navy, Air Force, or Marine Corps as a result of satisfactory completion of an officer commissioning program other than the course of instruction at one of the service academies named in section 541 of this title or the Senior Reserve Officers' Training Corps program and who, under regulations prescribed by the Secretary of the military department concerned, is designated or selected as a Distinguished Graduate of that program (or the equivalent) shall be appointed as a regular officer.''.

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

''542. Distinguished Graduates of officer commissioning programs other than service academies and ROTC.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect on May 1, 2002.

SEC. 503. TEMPORARY REDUCTION OF TIME-IN-GRADE REQUIREMENT FOR ELIGIBILITY FOR PROMOTION FOR CERTAIN ACTIVE-DUTY LIST OFFICERS IN GRADES OF FIRST LIEUTENANT AND LIEUTENANT (JUNIOR GRADE).

(a) AUTHORITY.—Subsection (a) of section 619 of title 10, United States Code, is amended—

(1) in paragraph (1)(B), by inserting before the period at the end the following: '', or such shorter period as may be in effect under paragraph (6)''; and

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

''(6)(A) When the needs of the service require, the Secretary of the military department concerned may reduce to eighteen months the period of service in grade applicable for purposes of paragraph (1)(B) in the case of officers who are serving in a position that is authorized for officers in the grade of captain or, in the case of the Navy, lieutenant.

''(B) If the Secretary of the military department concerned uses the authority provided in subparagraph (A), the number of captains or, in the case of the Navy, lieutenants on the active-duty list may not exceed the number of positions for which officers in that grade are authorized by more than one percent.

''(C) The authority under subparagraph (A) and the limitation under subparagraph (B) expire on September 30, 2005.''.

(b) STYLISTIC AMENDMENTS.—Such section is further amended as follows:

(1) Subsection (a) is amended by striking ''(a)(1)'' and inserting ''(a) TIME-IN-GRADE REQUIREMENTS.—(1)''.

(2) Subsection (b) is amended by striking ''(b)(1)'' and inserting ''(b) CONTINUED ELIGIBILITY FOR CONSIDERATION FOR PROMOTION OF OFFICERS WHO HAVE PREVIOUSLY FAILED OF SELECTION.—(1)''.

(3) Subsection (c) is amended by striking ''(c)(1)'' and inserting ''(c) OFFICERS TO BE CONSIDERED BY PROMOTION BOARDS.—(1)''.

(4) Subsection (d) is amended by inserting ''CERTAIN OFFICERS NOT TO BE CONSIDERED.—'' after ''(d)''.

(c) TECHNICAL AMENDMENT.—Subsection (a)(4) of such section is amended by striking ''clause (A)'' and inserting ''subparagraph (A)''.

SEC. 504. INCREASE IN SENIOR ENLISTED ACTIVE DUTY GRADE LIMIT FOR NAVY, MARINE CORPS, AND AIR FORCE.

(a) MEMBERS IN PAY GRADE E–8.—Section 517(a) of title 10, United States Code, is amended by striking ''2 percent (or, in the case of the Army, 2.5 percent)'' and inserting ''2.5 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 505. AUTHORITY FOR LIMITED EXTENSION OF MEDICAL DEFERMENT OF MANDATORY RETIREMENT OR SEPARATION.

The text of section 640 of title 10, United States Code, is amended to read as follows:

''(a) If the Secretary of the military department concerned determines that the evaluation of the physical condition of an 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 member's well being before the date on which the officer would otherwise be required to retire or be separated under this title, the Secretary may defer the retirement or separation of the officer under this title.

''(b) A deferral of retirement or separation under subsection (a) may not extend for more than 30 days after completion of the evaluation requiring hospitalization or medical observation.''.

SEC. 506. AUTHORITY FOR LIMITED EXTENSION ON ACTIVE DUTY OF MEMBERS SUBJECT TO MANDATORY RETIREMENT OR SEPARATION.

(a) SECTION 12305 STOP-LOSS AUTHORITY.—Section 12305 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) Upon the termination of a suspension made under the authority of subsection (a) of a provision of law otherwise requiring the separation or retirement of officers on active duty because of age, length of service or length of service in grade, or failure of selection for promotion, the Secretary concerned shall extend by up to 90 days the otherwise required separation or retirement date of any officer covered by the suspended provision whose separation or retirement date, but for the suspension, would have been before the date of the termination of the suspension or within 90 days of the date of such termination.''.

(b) SECTION 123 STOP-LOSS AUTHORITY.—Section 123 of such title is amended by adding at the end the following new subsection:

''(d) Upon the termination of a suspension made under the authority of subsection (a) of a provision of law otherwise requiring the separation or retirement of officers on active duty because of age, length of service or length of service in grade, or failure of selection for promotion, the Secretary concerned shall extend by up to 90 days the otherwise required separation or retirement date of any officer covered by the suspended provision whose separation or retirement date, but for the suspension, would have been before the date of the termination of the suspension or within 90 days of the date of such termination.''.

SEC. 507. CLARIFICATION OF DISABILITY SEVERANCE PAY COMPUTATION.

(a) CLARIFICATION.—Section 1212(a)(2) of title 10, United States Code, is amended by striking ''for promotion'' in subparagraph (C) and the first place it appears in subparagraph (D).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to members separated under section 1203 or 1206 of title 10, United States Code, on or after date of the enactment of this Act.

SEC. 508. OFFICER IN CHARGE OF UNITED STATES NAVY BAND.

(a) DETAIL AND GRADE.—Section 6221 of title 10, United States Code, is amended to read as follows:

§ 6221. United States Navy Band; officer in charge

''(a) There is a Navy band known as the United States Navy Band.

''(b) An officer of the Navy designated for limited duty under section 5589 or 5596 of this title who is serving in a grade not below lieutenant commander may be detailed by the Secretary of the Navy as Officer in Charge of the United States Navy Band. While so serving, an officer so detailed shall hold the grade of captain if recommended by the Secretary of the Navy for appointment to that grade and appointed to that grade by the President, by and with the advice and consent of the Senate. Such an appointment may be made notwithstanding section 5596(d) of this title.''.

(b) CLERICAL AMENDMENT.—The item relating to section 6221 in the table of sections at the beginning of chapter 565 of such title is amended to read as follows:

''6221. United States Navy Band; officer in charge.''.

SEC. 509. ONE-YEAR EXTENSION OF EXPIRATION DATE FOR CERTAIN FORCE MANAGEMENT AUTHORITIES.

(a) EARLY RETIREMENT AUTHORITY FOR ACTIVE FORCE MEMBERS.—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 ''December 31, 2002''.

(b) SSB AND VSI.—Sections 1174a(h)(1) and 1175(d)(3) of title 10, United States Code, are amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) SELECTIVE EARLY RETIREMENT BOARDS.—Section 638a(a) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(d) TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370 of such title is amended by striking ''December 31, 2001'' in subsections (a)(2)(A) and (d)(5) and inserting ''December 31, 2002''.

(e) MINIMUM COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT AS AN OFFICER.—Sections 3911(b), 6323(a)(2), and 8911(b) of such title are amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(f) TRAVEL, TRANSPORTATION, AND STORAGE BENEFITS.—Sections 404(c)(1)(C), 404(f)(2)(B)(v), 406(a)(2)(B)(v), and 406(g)(1)(C) of title 37, United States Code, and section 503(c)(1) of the National Defense Authorization Act for Fiscal Year 1991 (37 U.S.C. 406 note) are amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(g) EDUCATIONAL LEAVE FOR PUBLIC AND COMMUNITY SERVICE.—Section 4463(f) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143a note) is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(h) TRANSITIONAL HEALTH BENEFITS.—Subsections (a)(1), (c)(1), and (e) of section 1145 of title 10, United States Code, are amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(i) TRANSITIONAL COMMISSARY AND EXCHANGE BENEFITS.—Section 1146 of such title is amended by striking ''December 31, 2001'' both places it appears and inserting ''December 31, 2002''.

(j) TRANSITIONAL USE OF MILITARY HOUSING.—Paragraphs (1) and (2) of section 1147(a) of such title are amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(k) CONTINUED ENROLLMENT OF DEPENDENTS IN DEFENSE DEPENDENTS' EDUCATION SYSTEM.—Section 1407(c)(1) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(c)(1)) is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(l) FORCE REDUCTION TRANSITION PERIOD DEFINED FOR CERTAIN GUARD AND RESERVE BENEFITS.—Section 4411 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 12681 note) is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(m) RETIRED PAY FOR NON-REGULAR SERVICE.—Sections 12731(f) and 12731a(b) of title 10, United States Code, are amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(n) AFFILIATION WITH GUARD AND RESERVE UNITS; WAIVER OF CERTAIN LIMITATIONS.—Section 1150(a) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(o) RESERVE MONTGOMERY GI BILL.—Section 16133(b)(1)(B) of such title is amended by

striking ''December 31, 2001'' and inserting ''December 31, 2002''.

Subtitle B—Reserve Component Personnel Policy

SEC. 511. PLACEMENT ON ACTIVE-DUTY LIST OF CERTAIN RESERVE OFFICERS ON ACTIVE DUTY FOR A PERIOD OF THREE YEARS OR LESS.

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

''(D) on active duty under section 12301(d) of this title, other than as provided under subparagraph (C), if the call or order to active duty, under regulations prescribed by the Secretary concerned, specifies a period of three years or less and continued placement on the reserve active-status list;''.

(b) RETROACTIVE APPLICATION.—(1) The Secretary of the military department concerned may provide that an officer who was excluded from the active-duty list under section 641(1)(D) of title 10, United States Code, as amended by section 521 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–108), shall be considered to have been on the active-duty list during the period beginning on the date on which the officer was so excluded and ending on the date of the enactment of this Act.

(2) The Secretary of the military department concerned may provide that a Reserve officer who was placed on the active-duty list on or after October 30, 1997, shall be placed on the reserve active-status list if the officer otherwise meets the conditions specified in section 641(1)(D) of title 10, United States Code, as amended by subsection (a).

SEC. 512. EXPANDED APPLICATION OF RESERVE SPECIAL SELECTION BOARDS.

(a) SPECIAL SELECTION BOARD FOR BELOW-THE-ZONE CONSIDERATION.—Section 14502 of title 10, United States Code, is amended—

(1) in subsection (a)(1), by striking ''from in or above the promotion zone'';

(2) in subsection (a)(3), by inserting ''for selection for promotion from in or above the promotion zone'' after ''for consideration''; and

(3) in subsection (b)(1), by striking ''from in or above the promotion zone''.

(b) TECHNICAL AMENDMENT.—Subsection (b)(1) of such section is amended by striking ''under this chapter by a selection board'' and inserting ''by a promotion board convened under section 14101(a) of this title''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any Reserve officer who was not considered for promotion because of administrative error, or was considered for promotion but not selected because of material error, under part III of subtitle E of title 10, United States Code, on or after October 1, 1996.

SEC. 513. EXCEPTION TO BACCALAUREATE DEGREE REQUIREMENT FOR APPOINTMENT OF RESERVE OFFICERS TO GRADES ABOVE FIRST LIEUTENANT.

Section 12205(b) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph (4):

''(4) The appointment to a grade in the Army Reserve of a person whose original appointment as an officer in the Army Reserve was through the Officer Candidate School program and who immediately before that original appointment was an enlisted member on active duty.''.

SEC. 514. IMPROVED DISABILITY BENEFITS FOR CERTAIN RESERVE COMPONENT MEMBERS.

(a) MEDICAL AND DENTAL CARE.—Sections 1074a(a)(3) and 1076(a)(2)(C) of title 10, United States Code, are each amended by striking '', if the'' and all that follows through ''member's residence''.

(b) ELIGIBILITY FOR DISABILITY RETIREMENT OR SEPARATION.—Sections 1204(2)(B)(iii) and 1206(2)(B)(iii) of title 10, United States Code, are each amended by striking '', if the'' and all that follows through ''member's residence''.

(c) RECOVERY, CARE, AND DISPOSITION OF REMAINS.—Section 1481(a)(2)(D) of title 10, United States Code, is amended by striking '', if the site is outside reasonable commuting distance from the member's residence''.

(d) PAY.—Sections 204(g)(1)(D), 204(h)(1)(D), and 206(a)(3)(C) of title 37, United States Code, are each amended by striking '', if the site is outside reasonable commuting distance from the member's residence''.

SEC. 515. TIME-IN-GRADE REQUIREMENT FOR RESERVE COMPONENT OFFICERS WITH A NONSERVICE CONNECTED DISABILITY.

Section 1370(d)(3)(B) of title 10, United States Code, is amended to read as follows:

''(B) A person covered by subparagraph (A) who has completed at least six months of satisfactory service in grade may be credited with satisfactory service in the grade in which serving at the time of transfer or discharge, notwithstanding failure of the person to complete three years of service in that grade, if that person—

''(i) is transferred from an active status or discharged as a reserve commissioned officer solely due to the requirements of a nondiscretionary provision of law requiring that transfer or discharge due to the person's age or years of service; or

''(ii) is retired under chapter 1223 of this title because the person no longer meets the qualification for membership in the Ready Reserve solely because of a physical disability, as determined, at a minimum, by a medical evaluation board.''.

SEC. 516. RESERVE MEMBERS CONSIDERED TO BE DEPLOYED FOR PURPOSES OF PERSONNEL TEMPO MANAGEMENT.

Section 991(b) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting ''active'' before ''service''; and

(B) by adding at the end the following: ''For the purpose of applying the preceding sentence to a member of a reserve component performing active service, the housing in which the member resides when on garrison duty at the member's permanent duty station or homeport, as the case may be, shall be considered to be either the housing the member normally occupies when on garrison duty or the member's permanent civilian residence.'';

(2) by striking paragraph (2);

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

(4) in paragraph (3) (as so redesignated), by striking ''in paragraphs (1) and (2)'' and inserting ''in paragraph (1)''.

SEC. 517. FUNERAL HONORS DUTY PERFORMED BY RESERVE AND GUARD MEMBERS TO BE TREATED AS INACTIVE-DUTY TRAINING FOR CERTAIN PURPOSES.

(a) RESERVE MEMBERS.—Section 12503(a) of title 10, United States Code, is amended by adding at the end the following new sentence: ''Performance of funeral honors duty by a Reserve not on active duty shall be treated as inactive-duty training (including with respect to travel to and from such duty) for purposes of any provision of law other than sections 206 and 435 of title 37.''.

(b) NATIONAL GUARD MEMBERS.—Section 115(a) of title 32, United States Code, is amended by adding at the end the following new sentence: ''Performance of funeral honors duty by such a member not on active duty or full-time National Guard duty shall be treated as inactive-duty training (including with respect to travel to and from such duty) for purposes of any provision of law other than sections 206 and 435 of title 37.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to funeral honors duty performed on or after October 30, 2000.

SEC. 518. MEMBERS OF THE NATIONAL GUARD PERFORMING FUNERAL HONORS DUTY WHILE IN NON-FEDERAL STATUS.

Section 1491(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) A member of the Army National Guard of the United States or the Air National Guard of the United States who serves as a member of a funeral honors detail while in a duty status authorized under State law shall be considered to be a member of the armed forces for the purposes of the first sentence of paragraph (2).''.

SEC. 519. USE OF MILITARY LEAVE FOR FUNERAL HONORS DUTY BY RESERVE MEMBERS AND NATIONAL GUARDSMEN.

Section 6323(a)(1) of title 5, United States Code, is amended by inserting ''funeral honors duty (as described in section 12503 of title 10 and section 115 of title 32),'' after ''(as defined in section 101 of title 37),''.

SEC. 520. PREPARATION FOR, PARTICIPATION IN, AND CONDUCT OF ATHLETIC COMPETITIONS BY THE NATIONAL GUARD AND MEMBERS OF THE NATIONAL GUARD.

(a) ATHLETIC AND SMALL ARMS COMPETITIONS.—Section 504 of title 32, United States Code, is amended by adding at the end the following new subsection:

''(c) CONDUCT OF AND PARTICIPATION IN CERTAIN COMPETITIONS.—(1) Under regulations prescribed by the Secretary of Defense, members and units of the National Guard may conduct and compete in a qualifying athletic competition or a small arms competition so long as—

''(A) the conduct of, or participation in, the competition does not adversely affect the quality of training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit;

''(B) National Guard personnel will enhance their military skills as a result of conducting or participating in the competition; and

''(C) the conduct of or participation in the competition will not result in a significant increase in National Guard costs.

''(2) Facilities and equipment of the National Guard, including military property and vehicles described in section 508(c) of this title, may be used in connection with the conduct of or participation in a qualifying athletic competition or a small arms competition under paragraph (1).''.

(b) OTHER MATTERS.—Such section is further amended by adding after subsection (c), as added by subsection (a) of this section, the following new subsections:

''(d) AVAILABILITY OF FUNDS.—(1) Subject to paragraph (2) and such limitations as may be enacted in appropriations Acts and such regulations as the Secretary of Defense may prescribe, amounts appropriated for the National Guard may be used to cover—

''(A) the costs of conducting or participating in a qualifying athletic competition or a small arms competition under subsection (c); and

''(B) the expenses of members of the National Guard under subsection (a)(3), including expenses of attendance and participation fees, travel, per diem, clothing, equipment, and related expenses.

''(2) Not more than $2,500,000 may be obligated or expended in any fiscal year under subsection (c).

''(e) QUALIFYING ATHLETIC COMPETITION DEFINED.—In this section, the term 'qualifying athletic competition' means a competition in athletic events that require skills relevant to military duties or involve aspects of physical fitness that are evaluated by the armed forces in determining whether a member of the National Guard is fit for military duty.''.

(c) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting ''AUTHORIZED ACTIVITIES.—'' after ''(a)''; and

(2) in subsection (b), by inserting ''AUTHORIZED LOCATIONS.—'' after ''(b)''.

(d) CONFORMING AND CLERICAL AMENDMENTS.—(1) Subsection (a) of such section is amended—

(A) in paragraph (1), by inserting ''and'' after the semicolon;

(B) in paragraph (2), by striking ''; or'' and inserting a period; and

(C) by striking paragraph (3).

(2) The heading of such section is amended to read as follows:

''§ 504. National Guard schools; small arms competitions; athletic competitions''.

(3) The item relating to section 504 in the table of sections at the beginning of chapter 5 of title 10, United States Code, is amended to read as follows:

''504. National Guard schools; small arms competitions; athletic competitions.''.

Subtitle C—Joint Specialty Officers and Joint Professional Military Education

SEC. 521. NOMINATIONS FOR JOINT SPECIALTY.

Paragraph (2) of section 661(b) of title 10, United States Code, is amended by striking ''The Secretaries'' and all that follows through ''officers—'' and inserting ''Each officer on the active-duty list on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002 who has not before that date been nominated for the joint specialty by the Secretary of a military department, and each officer who is placed on the active-duty list after such date, who meets the requirements of subsection (c) shall automatically be considered to have been nominated for the joint specialty. From among those officers considered to be nominated for the joint specialty, the Secretary may select for the joint specialty only officers—''.

SEC. 522. JOINT DUTY CREDIT.

Paragraph (4) of section 664(i) of title 10, United States Code, is amended—

(1) in subparagraph (E), by striking ''The'' and inserting ''Except as provided in subparagraph (F), the''; and

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

''(F) Service in a temporary joint task force assignment not involved in combat or combat-related operations may not be credited for the purposes of joint duty, unless, and only if—

''(i) the service of the officer and the nature of the joint task force not only meet all criteria of this section, except subparagraph (E), but also any additional criteria the Secretary may establish;

''(ii) the Secretary has specifically approved the operation conducted by the joint task force as one that qualifies for joint service credit, and notifies Congress upon each approval, providing the criteria that led to that approval; and

''(iii) the operation is conducted by the joint task force in an environment where an extremely fragile state of peace and high potential for hostilities coexist.''.

SEC. 523. RETROACTIVE JOINT SERVICE CREDIT FOR DUTY IN CERTAIN JOINT TASK FORCES.

(a) AUTHORITY.—In accordance with section 664(i) of title 10, United States Code, as amended by section 522, the Secretary of Defense may award joint service credit to any officer who served on the staff of a United States joint task force headquarters in an operation and during the period set forth in subsection (b) and who meets the criteria specified in such section. To determine which officers qualify for such retroactive credit, the Secretary shall undertake a case-by-case review of the records of officers.

(b) ELIGIBLE OPERATIONS.—Service in the following operations, during the specified periods, may be counted for credit under subsection (a):

(1) Operation Northern Watch, during the period beginning on August 1, 1992, and ending on a date to be determined.

(2) Operation Southern Watch, during the period beginning on August 27, 1992, and ending on a date to be determined.

(3) Operation Able Sentry, during the period beginning on June 26, 1993, and ending on February 28, 1999.

(4) Operation Joint Endeavor, during the period beginning on December 25, 1995, and ending on December 19, 1996.

(5) Operation Joint Guard, during the period beginning on December 20, 1996, and ending on June 20, 1998.

(6) Operation Desert Thunder, beginning on January 24, 1998, and ending on December 15, 1998.

(7) Operation Joint Forge, beginning on June 20, 1998, and ending on June 10, 1999.

(8) Operation Noble Anvil, beginning on March 24, 1999, and ending on July 20, 1999.

(9) Operation Joint Guardian, beginning on June 11, 1999, and ending on a date to be determined.

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report of the numbers, by service, grade, and operation, of the officers given joint service credit in accordance with this section.

SEC. 524. REVISION TO ANNUAL REPORT ON JOINT OFFICER MANAGEMENT.

Section 667 of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting ''(A)'' after ''(1)''; and

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

''(B) The number of officers who meet the criteria for selection for the joint specialty but were not selected, together with the reasons why.'';

(2) by amending paragraph (2) to read as follows:

''(2) The number of officers with the joint specialty, shown by grade and branch or specialty and by education.'';

(3) in paragraph (3)—

(A) in subparagraph (A) and (B), by striking ''nominated'' and inserting ''selected'';

(B) by inserting ''and'' at the end of subparagraph (D);

(C) by striking subparagraph (E); and

(D) by redesignating subparagraph (F) as subparagraph (E);

(4) in paragraph (4)(A), by striking ''nominated'' and inserting ''selected'';

(5) in paragraph (14)—

(A) by inserting ''(A)'' after ''(14)''; and

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

''(B) An assessment of the extent to which the Secretary of each military department is assigning personnel to joint duty assignments in accordance with this chapter and the policies, procedures, and practices established by the Secretary of Defense under section 661(a) of this title.''; and

(6) in paragraph (16), by striking ''section 664(i)'' in the matter preceding subparagraph (A) and in subparagraph (B) and inserting ''subparagraphs (E) and (F) of section 664(i)(4)''.

SEC. 525. REQUIREMENT FOR SELECTION FOR JOINT SPECIALTY BEFORE PROMOTION TO GENERAL OR FLAG OFFICER GRADE.

(a) REQUIREMENT.—Subsection (a) of section 619a of title 10, United States Code, is amended by striking ''unless'' and all that follows and inserting ''unless—

''(1) the officer has completed a full tour of duty in a joint duty assignment (as described in section 664(f) of this title); and

''(2) for appointments after September 30, 2007, the officer has been selected for the joint specialty in accordance with section 661 of this title.''.

(b) WAIVER AUTHORITY.—Subsection (b) of that section is amended by striking ''may waive subsection (a) in the following circumstances:'' and inserting ''may waive paragraph (1) or paragraph (2) of subsection (a), or both paragraphs (1) and (2) of subsection (a), in the following circumstances (except that paragraph (2) of subsection (a) may not be waived by reason of paragraph (4)):''.

(c) PROPOSED LEGISLATIVE CHANGES.—Not later than December 1, 2002, the Secretary of Defense shall submit to Congress a draft proposal for such legislative changes as the Secretary considers needed to implement the amendment made by subsections (a) and (b).

SEC. 526. INDEPENDENT STUDY OF JOINT OFFICER MANAGEMENT AND JOINT PROFESSIONAL MILITARY EDUCATION REFORMS.

(a) STUDY.—The Secretary of Defense shall provide for an independent study of the joint officer management system and the joint professional military education system. The Secretary shall ensure that the entity conducting the study is provided such information and support as required. The Secretary shall include in the contract for the study a requirement that the entity conducting the study submit a report to Congress on the study not later than June 30, 2002.

(b) MATTERS TO BE INCLUDED WITH RESPECT TO JOINT OFFICER MANAGEMENT.—With respect to the joint officer management system, the entity conducting the independent study shall provide for the following:

(1) Assessment of implications for joint officer education, development, and management that would result from proposed joint organizational operational concepts (such as standing joint task forces) and from emerging officer management and personnel reforms (such as longer careers and more stabilization), that are under consideration by the Secretary of Defense.

(2) Assessment of the effectiveness of the current joint officer management system to develop and use joint specialty qualified officers in meeting both current and future requirements for joint specialty officers.

(3) Recommendations, based on empirical and other data, to improve the effectiveness of the joint officer management system, especially with regard to the following:

(A) The proper mix and sequencing of education assignments and experience assignments (to include, with respect to both types of assignments, consideration of the type and quality, and the length, of such assignments) to qualify an officer as a joint specialty officer, as well as the implications of adopting a variable joint duty tour length and the advisability and implications of a system of qualifying officers as joint specialty officers that uses multiple shorter qualification tracks to selection as a joint specialty officer than are now codified.

(B) The system of using joint specialty officers, including the continued utility of such measures as—

(i) the required fill of positions on the joint duty assignment list, as specified in paragraphs (1) and (4) of section 661(d) of title 10, United States Code;

(ii) the fill by such officers of a required number of critical billets, as prescribed by section 661(d)(2) of such title;

(iii) the mandated fill by general and flag officers of a minimum number of critical billets, as prescribed by section 661(d)(3) of such title; and

(iv) current promotion policy objectives for officers with the joint specialty, officers serving on the Joint Staff, and officers serving in joint duty assignment list positions, as prescribed by section 662 of such title.

(C) Changes in policy and law required to provide officers the required joint specialty qualification before promotion to general or flag officer grade.

(D) A determination of the number of reserve component officers who would be qualified for designation as a joint specialty officer by reason of experience or education if the standards of existing law, including waiver authorities, were applied to them, and recommendations for a process for qualifying and employing future reserve component officers as joint specialty officers.

(c) MATTERS TO BE INCLUDED WITH RESPECT TO JOINT PROFESSIONAL MILITARY EDUCATION.—With respect to the joint professional military education system, the entity conducting the independent study shall provide for the following:

(1) The number of officers who under the current system (A) qualified as joint specialty officers by attending joint professional military education programs before their first joint duty assignment, (B) qualified as joint specialty officers after arriving at their first joint duty assignment but before completing that assignment, and (C) qualified as joint specialty officers without any joint professional military education.

(2) Recommended initiatives (include changes in officer personnel management law, if necessary) to provide incentives and otherwise facilitate attendance at joint professional military education programs before an officer's first joint duty assignment.

(3) Recommended goals for attendance at the Joint Forces Staff College en route to a first joint duty assignment.

(4) An assessment of the continuing utility of statutory requirements for use of officers following joint professional military education, as prescribed by section 662(d) of title 10, United States Code.

(5) Determination of whether joint professional military education programs should remain principally an in-resident, multi-service experience and what role non-resident or distributive learning can or should play in future joint professional military education programs.

(6) Examination of options for the length of and increased capacity at Joint Forces Staff College, and whether other in-resident joint professional military education sources should be opened, and if opened, how they might be properly accredited and overseen to provide instruction at the level of the program designated as ''joint professional military education''.

(d) CHAIRMAN OF JOINT CHIEFS OF STAFF.—With respect to the roles of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the entity conducting the independent study shall—

(1) provide for an evaluation of the current roles of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and joint staff in law, policy, and implementation with regard to establishing and maintaining oversight of joint officer management, career guidelines, and joint professional military education; and

(2) make recommendations to improve and strengthen those roles.

(e) REQUIREMENTS FOR STUDY ENTITY.—In providing for the independent study required by subsection (a), the Secretary of Defense shall ensure that the entity conducting the study—

(1) is not a Department of Defense organization; and

(2) shall, at a minimum, involve in the study, in an integral way, the following persons:

(A) The Chairman of the Joint Chiefs of Staff and available former Chairmen of the Joint Chiefs of Staff.

(B) Members and former members of the Joint Staff, the Armed Forces, the Congress, and congressional staff who are or who have been significantly involved in the development, implementation, or modification of joint officer management and joint professional military education.

(C) Experts in joint officer management and education from civilian academic and research centers.

SEC. 527. PROFESSIONAL DEVELOPMENT EDUCATION.

(a) EXECUTIVE AGENT FOR FUNDING.—(1) Effective beginning with fiscal year 2003, the Secretary of Defense shall be the executive agent for funding professional development education operations of all components of the National Defense University, including the Joint Forces Staff College. The Secretary may not delegate the Secretary's functions and responsibilities under the preceding sentence to the Secretary of a military department.

(2) Nothing in this subsection affects policies in effect on the date of the enactment of this Act with respect to—

(A) the reporting of the President of the National Defense University to the Chairman of the Joint Chiefs of Staff; or

(B) provision of logistical and base operations support for components of the National Defense University by the military departments.

(b) PREPARATION OF BUDGET REQUESTS.—Section 2162(b) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

''(2) As executive agent for funding professional development education at the National Defense University, including the Joint Forces Staff College, the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff, shall prepare the annual budget for professional development education operations at the National Defense University and set forth that request as a separate budget request in the materials submitted to Congress in support of the budget request for the Department of Defense. Nothing in the preceding sentence affects policies in effect on the date of the enactment of this paragraph with respect to budgeting for the funding of logistical and base operations support for components of the National Defense University through the military departments.''.

(c) FUNDING SOURCE.—(1) Section 2165 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d) SOURCE OF FUNDS FOR PROFESSIONAL DEVELOPMENT EDUCATION OPERATIONS.—Funding for the professional development education operations of the National Defense University shall be provided from funds made available to the Secretary of Defense from the annual appropriation 'Operation and Maintenance, Defense-wide'.''.

(2) Subsection (d) of section 2165 of title 10, United States Code, as added by paragraph (1), shall become effective beginning with fiscal year 2003.

SEC. 528. AUTHORITY FOR NATIONAL DEFENSE UNIVERSITY TO ENROLL CERTAIN PRIVATE SECTOR CIVILIANS.

(a) IN GENERAL.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2167. National Defense University: admission of private sector civilians to professional military education program

''(a) AUTHORITY FOR ADMISSION.—The Secretary of Defense may permit eligible private sector employees who work in organizations relevant to national security to receive instruction at the National Defense University in accordance with this section. No more than 10 full-time equivalent private sector employees may be enrolled at any one time. Upon successful completion of the course of instruction in which enrolled, any such private sector employee may be awarded an appropriate diploma or degree under section 2165 of this title.

''(b) ELIGIBLE PRIVATE SECTOR EMPLOYEES.—For purposes of this section, an eligible private sector employee is an individual employed by a private firm that is engaged in providing to the Department of Defense or other Government departments or agencies significant and substantial defense-related systems, products, or services or whose work product is relevant to national security policy or strategy. A private sector employee admitted for instruction at the National Defense University remains eligible for such instruction only so long as that person remains employed by the same firm.

''(c) ANNUAL CERTIFICATION BY SECRETARY OF DEFENSE.—Private sector employees may receive instruction at the National Defense University during any academic year only if, before the start of that academic year, the Secretary of Defense determines, and certifies to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives, that providing instruction to private sector employees under this section during that year will further national security interests of the United States.

''(d) PROGRAM REQUIREMENTS.—The Secretary of Defense shall ensure that—

''(1) the curriculum for the professional military education program in which private sector employees may be enrolled under this section is not readily available through other schools and concentrates on national security relevant issues; and

''(2) the course offerings at the National Defense University continue to be determined solely by the needs of the Department of Defense.

''(e) TUITION.—The President of the National Defense University shall charge students enrolled under this section a rate—

''(1) that is at least the rate charged for employees of the United States outside the Department of Defense, less infrastructure costs, and

''(2) that considers the value to the school and course of the private sector student.

''(f) STANDARDS OF CONDUCT.—While receiving instruction at the National Defense University, students enrolled under this section, to the extent practicable, are subject to the same regulations governing academic performance, attendance, norms of behavior, and enrollment as apply to Government civilian employees receiving instruction at the university.

''(g) USE OF FUNDS.—Amounts received by the National Defense University for instruction of students enrolled under this section shall be retained by the university to defray

the costs of such instruction. The source, and the disposition, of such funds shall be specifically identified in records of the university.''.

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

''2167. National Defense University: admission of private sector civilians to professional military education program.''.

(b) EFFECTIVE DATE.—Section 2167 of title 10, United States Code, as added by subsection (a), shall take effect on January 1, 2002.

SEC. 529. CONTINUATION OF RESERVE COMPONENT PROFESSIONAL MILITARY EDUCATION TEST.

(a) CONTINUATION OF CONCEPT VALIDATION TEST.—During fiscal year 2002, the Secretary of Defense shall continue the concept validation test of Reserve component joint professional military education that was begun in fiscal year 2001 at the National Defense University.

(b) PILOT PROGRAM.—If the Secretary of Defense determines that the results of the concept validation test referred to in subsection (a) warrant conducting a pilot program of the concept that was the subject of the test, the Secretary shall conduct such a pilot program during fiscal year 2003.

(c) FUNDING.—The Secretary shall provide funds for the concept validation test under subsection (a) and for any pilot program under subsection (b) from funds appropriated to the Secretary of Defense in addition those appropriated for operations of the National Defense University.

Subtitle D—Military Education and Training

SEC. 531. DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER.

(a) AUTHORITY TO CONFER ASSOCIATE OF ARTS DEGREE.—Chapter 108 of title 10, United States Code, is amended by adding after section 2167, as added by section 528(a)(1), the following new section:

''§ 2168. Defense Language Institute Foreign Language Center: degree of Associate of Arts in foreign language

''(a) Subject to subsection (b), the Commandant of the Defense Language Institute may confer an Associate of Arts degree in a foreign language upon any graduate of the Foreign Language Center of the Institute who fulfills the requirements for that degree.

''(b) A degree may be conferred upon a student under this section only if the Provost of the Center certifies to the Commandant that the student has satisfied all the requirements prescribed for the degree.

''(c) The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of Defense.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2167, as added by section 528(a)(2), the following new item:

''2168. Defense Language Institute Foreign Language Center: degree of Associate of Arts in foreign language.''.

SEC. 532. AUTHORITY FOR THE MARINE CORPS UNIVERSITY TO AWARD DEGREE OF MASTER OF STRATEGIC STUDIES.

(a) MARINE CORPS WAR COLLEGE DEGREE.—Section 7102 of title 10, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

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

''(b) MARINE CORPS WAR COLLEGE.—Upon the recommendation of the Director and faculty of the Marine Corps War College of the Marine Corps University, the President of the Marine Corps University may confer the degree of master of strategic studies upon graduates of the Marine Corps War College who fulfill the requirements for that degree.''.

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of such section is amended by striking ''upon graduates'' and all that follows and inserting ''upon graduates of the Command and Staff College who fulfill the requirements for that degree.''.

(2) Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by striking ''subsection (a)'' and inserting ''subsections (a) and (b)''.

(3)(A) The heading of such section is amended to read as follows:

''§ 7102. Marine Corps University: masters degrees; board of advisors''.

(B) The item relating to such section in the table of sections at the beginning of chapter 609 of such title is amended to read as follows:

''7102. Marine Corps University: masters degrees; board of advisors.''.

(c) CODIFICATION OF REQUIREMENT FOR BOARD OF ADVISORS.—(1) Section 7102 of title 10, United States Code, as amended by subsections (a) and (b), is further amended by adding at the end the following new subsection:

''(d) BOARD OF ADVISORS.—The Secretary of the Navy shall establish a board of advisors for the Marine Corps University. The Secretary shall ensure that the board is established so as to meet all requirements of the appropriate regional accrediting association.''.

(2) Section 912 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 7102 note) is repealed.

(d) EFFECTIVE DATE.—The authority to confer the degree of master of strategic studies under section 7102(b) of title 10, United States Code (as added by subsection (a)) may not be exercised until the Secretary of Education determines, and certifies to the President of the Marine Corps University, that the requirements established by the Marine Corps War College of the Marine Corps University for that degree are in accordance with generally applicable requirements for a degree of master of arts. Upon receipt of such a certification, the President of the University shall promptly transmit a copy of the certification to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives.

SEC. 533. INCREASE IN NUMBER OF FOREIGN STUDENTS AUTHORIZED TO BE ADMITTED TO THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Subsection (a)(1) of section 4344 of title 10, United States Code, is amended by striking ''40 persons'' and inserting ''60 persons''.

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

(A) by inserting ''some or all'' in paragraph (2) after ''unless a written waiver of''; and

(B) by striking paragraph (3).

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Military Academy to receive instruction under section 4344 of title 10, United States Code, before the date of the enactment of this Act.

(b) UNITED STATES NAVAL ACADEMY.—(1) Subsection (a)(1) of section 6957 of title 10, United States Code, is amended by striking ''40 persons'' and inserting ''60 persons''.

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

(A) by inserting ''some or all'' in paragraph (2) after ''unless a written waiver of''; and

(B) by striking paragraph (3).

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Naval Academy to receive instruction under section 6957 of title 10, United States Code, before the date of the enactment of this Act.

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Subsection (a)(1) of section 9344 of title 10, United States Code, is amended by striking ''40 persons'' and inserting ''60 persons''.

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

(A) by inserting ''some or all'' in paragraph (2) after ''unless a written waiver of''; and

(B) by striking paragraph (3).

(3) The amendments made by paragraph (2) shall not apply with respect to any person who entered the United States Air Force Academy to receive instruction under section 9344 of title 10, United States Code, before the date of the enactment of this Act.

SEC. 534. INCREASE IN MAXIMUM AGE FOR APPOINTMENT AS A CADET OR MIDSHIPMAN IN SENIOR RESERVE OFFICER TRAINING CORPS SCHOLARSHIP PROGRAMS.

(a) GENERAL ROTC SCHOLARSHIP PROGRAM.—Section 2107(a) of title 10, United States Code, is amended—

(1) by striking ''27 years of age on June 30'' and inserting ''35 years of age on December 31''; and

(2) by striking '', except that'' and all that follows through ''on such date'' the second place it appears.

(b) ARMY RESERVE AND ARMY NATIONAL GUARD ROTC SCHOLARSHIP PROGRAM.—Section 2107a(a) of such title is amended—

(1) by striking ''27 years of age on June 30'' and inserting ''35 years of age on December 31''; and

(2) by striking '', except that'' and all that follows through ''on such date'' the second place it appears.

SEC. 535. ACTIVE DUTY PARTICIPATION AS A CADET OR MIDSHIPMAN IN SENIOR ROTC ADVANCED TRAINING.

(a) SENIOR RESERVE OFFICER TRAINING CORPS.—Section 2104(b)(3) of title 10, United States Code, is amended by striking ''a reserve component of'' ''.

(b) BASIC PAY.—Section 209(c) of title 37, United States Code, is amended by inserting ''unless the cadet or midshipman is serving on active duty'' before the period at the end.

SEC. 536. AUTHORITY TO MODIFY THE SERVICE OBLIGATION OF CERTAIN ROTC CADETS IN MILITARY JUNIOR COLLEGES RECEIVING FINANCIAL ASSISTANCE.

(a) AUTHORITY TO MODIFY AGREEMENTS.—Subsection (b) of section 2107a of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)'';

(2) by redesignating paragraphs (1), (2), (3), (4), (5), and (6) as subparagraphs (A), (B), (C), (D), (E), and (F), respectively;

(3) by designating the sentence following subparagraph (F), as so redesignated, as paragraph (2); and

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

''(3) In the case of a cadet under this section at a military junior college, the Secretary may, at any time and with the consent of the cadet concerned, modify an agreement described in paragraph (1)(F) submitted by the cadet to reduce or eliminate the troop program unit service obligation specified in the agreement and to establish, in lieu of that obligation, an active duty service obligation. Such a modification may be made only if the Secretary determines that it is in the best interests of the United States to do so.''.

(b) RETROACTIVE APPLICATION.—The authority of the Secretary of Defense under

section 2107a(b)(3) of title 10, United States Code, as added by subsection (a), may be exercised with regard to any agreement described in subsection (b)(1)(F) (including agreements related to participation in the Advanced Course of the Army Reserve Officers' Training Corps at a military college or civilian institution) entered into during the period beginning on January 1, 1991 and ending on July 12, 2000.

(c) TECHNICAL AMENDMENT.—Subsection (h) of such section is amended by striking ''military college'' in the second sentence and inserting ''military junior college''.

SEC. 537. MODIFICATION OF NURSE OFFICER CANDIDATE ACCESSION PROGRAM RESTRICTION ON STUDENTS ATTENDING EDUCATIONAL INSTITUTIONS WITH SENIOR RESERVE OFFICERS' TRAINING PROGRAMS.

Section 2130a of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking ''that does not have a Senior Reserve Officers' Training Program established under section 2102 of this title''; and

(2) in subsection (b)(1), by inserting before the semicolon at the end ''or that has a Senior Reserve Officers' Training Program for which the student is ineligible''.

SEC. 538. REPEAL OF LIMITATION ON NUMBER OF JUNIOR RESERVE OFFICERS' TRAINING CORPS (JROTC) UNITS.

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

SEC. 539. RESERVE HEALTH PROFESSIONALS STIPEND PROGRAM EXPANSION.

(a) PURPOSE OF PROGRAM.—Subsection (a) of section 16201 of title 10, United States Code, is amended—

(1) by striking ''specialties critically needed in wartime'';

(2) by striking ''training in such specialties'' and inserting ''training that leads to a degree in medicine or dentistry or training in a health professions specialty that is critically needed in wartime''; and

(3) by striking ''training in certain health care specialties'' and inserting ''health care education and training''.

(b) MEDICAL AND DENTAL STUDENT STIPEND.—Such section is further 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) MEDICAL AND DENTAL SCHOOL STUDENTS.—(1) Under the stipend program under this chapter, the Secretary of the military department concerned may enter into an agreement with a person who—

''(A) is eligible to be appointed as an officer in a reserve component;

''(B) is enrolled or has been accepted for enrollment in an institution in a course of study that results in a degree in medicine or dentistry;

''(C) signs an agreement that, unless sooner separated, the person will—

''(i) complete the educational phase of the program;

''(ii) accept a reappointment or redesignation within the person's reserve component, if tendered, based upon the person's health profession, following satisfactory completion of the educational and intern programs; and

''(iii) participate in a residency program; and

''(D) if required by regulations prescribed by the Secretary of Defense, agrees to apply for, if eligible, and accept, if offered, residency training in a health profession skill which has been designated by the Secretary of Defense as a critically needed wartime skill.

''(2) Under the agreement—

''(A) the Secretary of the military department concerned shall agree to pay the participant a stipend, in the amount determined under subsection (f), for the period or the remainder of the period the student is satisfactorily progressing toward a degree in medicine or dentistry while enrolled in an accredited medical or dental school;

''(B) the participant shall not be eligible to receive such stipend before appointment, designation, or assignment as an officer for service in the Ready Reserve;

''(C) the participant shall be subject to such active duty requirements as may be specified in the agreement and to active duty in time of war or national emergency as provided by law for members of the Ready Reserve; and

''(D) the participant shall agree to serve, upon successful completion of the program, one year in the Selected Reserve for each six months, or part thereof, for which the stipend is provided. In the case of a participant who enters into a subsequent agreement under subsection (c) and successfully completes residency training in a specialty designated by the Secretary of Defense as a specialty critically needed by the military department in wartime, the requirement to serve in the Selected Reserve may be reduced to one year for each year, or part thereof, for which the stipend was provided while enrolled in medical or dental school.''.

(c) WARTIME CRITICAL SKILLS.—Subsection (c) of such section (as redesignated by subsection (b)(1)) is amended—

(1) by inserting ''WARTIME'' after ''CRITICAL'' in the heading; and

(2) by inserting ''or has been appointed as a medical or dental officer in the Reserve of the armed force concerned'' in paragraph (1)(B) before the semicolon at the end.

(d) SERVICE OBLIGATION REQUIREMENT.—Paragraph (2)(D) of subsection (c) of such section (as redesignated by subsection (b)(1)) and paragraph (2)(D) of subsection (d) of such section (as so redesignated) are amended by striking ''two years in the Ready Reserve for each year,'' and inserting ''one year in the Ready Reserve for each six months,''.

(e) CROSS-REFERENCE.—Paragraph (2)(A) of subsection (c) of such section (as redesignated by subsection (b)(1)) and paragraph (2)(A) of subsection (d) of such section (as so redesignated) are amended by striking ''subsection (e)'' and inserting ''subsection (f)''.

SEC. 540. HOUSING ALLOWANCE FOR THE CHAPLAIN FOR THE CORPS OF CADETS, UNITED STATES MILITARY ACADEMY.

(a) AUTHORITY.—The second sentence of section 4337 of title 10, United States Code, is amended to read as follows: ''Notwithstanding any other provision of law, the chaplain is entitled to the same basic allowance for housing allowed to a lieutenant colonel, and to fuel and light for quarters in kind.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month beginning on or after the date of the enactment of this Act.

Subtitle E—Decorations, Awards, and Commendations

SEC. 541. AUTHORITY FOR AWARD OF THE MEDAL OF HONOR TO HUMBERT R. VERSACE FOR VALOR DURING THE VIETNAM WAR.

(a) WAIVER OF TIME LIMITATION.—Notwithstanding the time limitations specified in section 3744 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the military service, the President may award the Medal of Honor under section 3741 of that title to Humbert R. Versace for the acts of valor referred to in subsection (b).

(b) ACTION DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Humbert R. Versace between October 29, 1963, and September 26, 1965, while interned as a prisoner-of-war by the Vietnamese Communist National Liberation Front (Viet Cong) in the Republic of Vietnam.

SEC. 542. REVIEW REGARDING AWARD OF MEDAL OF HONOR TO CERTAIN JEWISH AMERICAN AND HISPANIC AMERICAN WAR VETERANS.

(a) REVIEW REQUIRED.—The Secretary of each military department shall review the service records of each Jewish American war veteran or Hispanic American war veteran described in subsection (b) to determine whether that veteran should be awarded the Medal of Honor.

(b) COVERED JEWISH AMERICAN WAR VETERANS AND HISPANIC AMERICAN WAR VETERANS.—The Jewish American war veterans and Hispanic American war veterans whose service records are to be reviewed under subsection (a) are the following:

(1) Any Jewish American war veteran or Hispanic American war veteran who was awarded the Distinguished Service Cross, the Navy Cross, or the Air Force Cross before the date of the enactment of this Act.

(2) Any other Jewish American war veteran or Hispanic American war veteran whose name is submitted to the Secretary concerned for such purpose before the end of the one-year period beginning on the date of the enactment of this Act.

(c) CONSULTATIONS.—In carrying out the review under subsection (a), the Secretary of each military department shall consult with the Jewish War Veterans of the United States of America and with such other veterans service organizations as the Secretary considers appropriate.

(d) RECOMMENDATION BASED ON REVIEW.—If the Secretary concerned determines, based upon the review under subsection (a) of the service records of any Jewish American war veteran or Hispanic American war veteran, that the award of the Medal of Honor to that veteran is warranted, the Secretary shall submit to the President a recommendation that the President award the Medal of Honor to that veteran.

(e) AUTHORITY TO AWARD MEDAL OF HONOR.—A Medal of Honor may be awarded to a Jewish American war veteran or Hispanic American war veteran in accordance with a recommendation of the Secretary concerned under subsection (a).

(f) WAIVER OF TIME LIMITATIONS.—An award of the Medal of Honor may be made under subsection (e) without regard to—

(1) section 3744, 6248, or 8744 of title 10, United States Code, as applicable; and

(2) any regulation or other administrative restriction on—

(A) the time for awarding the Medal of Honor; or

(B) the awarding of the Medal of Honor for service for which a Distinguished Service Cross, Navy Cross, or Air Force Cross has been awarded.

(g) DEFINITION.—For purposes of this section, the term ''Jewish American war veteran'' means any person who served in the Armed Forces during World War II or a later period of war and who identified himself or herself as Jewish on his or her military personnel records.

SEC. 543. AUTHORITY TO ISSUE DUPLICATE MEDAL OF HONOR.

(a) ARMY.—(1) Chapter 357 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 3754. Medal of honor: duplicate medal

''A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal

of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Army may determine, as a duplicate or for display purposes only.''.

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

''3754. Medal of honor: duplicate medal.''.

(b) NAVY.—(1) Chapter 567 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 6256. Medal of honor: duplicate medal

''A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Navy may determine, as a duplicate or for display purposes only.''.

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

''6256. Medal of honor: duplicate medal.''.

(c) AIR FORCE.—(1) Chapter 857 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 8754. Medal of honor: duplicate medal

''A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary of the Air Force may determine, as a duplicate or for display purposes only.''.

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

''8754. Medal of honor: duplicate medal.''.

(d) COAST GUARD.—(1) Chapter 13 of title 14, United States Code, is amended by inserting after section 503 the following new section:

''§ 504. Medal of honor: duplicate medal

''A person awarded a medal of honor shall, upon written application of that person, be issued, without charge, one duplicate medal of honor with ribbons and appurtenances. Such duplicate medal of honor shall be marked, in such manner as the Secretary may determine, as a duplicate or for display purposes only.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 503 the following new item:

''504. Medal of honor: duplicate medal.''.

(e) DEFINITION OF MEDAL OF HONOR FOR PURPOSES OF FEDERAL UNAUTHORIZED-USE CRIME.—Section 704(b)(2)(B) of title 18, United States Code, is amended to read as follows:

''(B) As used in this subsection, 'Congressional Medal of Honor' means—

''(i) a medal of honor awarded under section 3741, 6241, or 8741 of title 10 or section 491 of title 14;

''(ii) a duplicate medal of honor issued under section 3754, 6256, or 8754 of title 10 or section 504 of title 14; or

''(iii) a replacement of a medal of honor provided under section 3747, 6253, or 8747 of title 10 or section 501 of title 14.''.

SEC. 544. AUTHORITY TO REPLACE STOLEN MILITARY DECORATIONS.

(a) ARMY, NAVY, AND AIR FORCE.—Sections 3747, 6253, and 8747 of title 10, United States Code, are each amended by striking ''lost or destroyed'' and inserting ''stolen, lost, or destroyed''.

(b) COAST GUARD.—Section 501 of title 14, United States Code, is amended by inserting ''stolen,'' before ''lost,''.

SEC. 545. WAIVER OF TIME LIMITATIONS FOR AWARD OF NAVY DISTINGUISHED FLYING 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 this section, the award of each such decoration having been determined by the Secretary concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 31, 2000, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 546. KOREA DEFENSE SERVICE MEDAL.

(a) ARMY.—(1) Chapter 357 of title 10, United States Code, as amended by section 543(a)(1), is further 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, as amended by section 543(a)(2), is further amended by adding at the end the following new item:

''3755. Korea Defense Service Medal.''.

(b) NAVY AND MARINE CORPS.—(1) Chapter 567 of title 10, United States Code, as amended by section 543(b)(1), is further 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, as amended by section 543(b)(2), is further amended by adding at the end the following new item:

''6257. Korea Defense Service Medal.''.

(c) AIR FORCE.—(1) Chapter 857 of title 10, United States Code, as amended by section 543(c)(1), is further 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, as amended by section 543(c)(2), is further amended by adding at the end the following new item:

''8755. Korea Defense Service Medal.''.

(d) 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. 547. COLD WAR SERVICE MEDAL.

(a) AUTHORITY.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1134. Cold War service medal

''(a) MEDAL AUTHORIZED.—The Secretary concerned shall, upon application, issue the Cold War service medal to a person eligible to receive that medal. The Cold War service medal shall be of an appropriate design approved by the Secretary of Defense, with ribbons, lapel pins, and other appurtenances.

''(b) ELIGIBILITY.—(1) A person is eligible to receive the Cold War service medal if the person—

''(A) served on active duty during the Cold War;

''(B) has not been released from active duty with a characterization of service less favorable than honorable and has not received a discharge less favorable than an honorable discharge; and

''(C) except as provided under paragraph (3), meets the service requirements of paragraph (2).

''(2) The service requirements of this paragraph are—

''(A) in the case of a person who served on active duty during the Cold War as an enlisted member, that the person have completed that person's initial term of enlistment and after the end of that initial term of enlistment have reenlisted for an additional term of enlistment or have been appointed as an officer; and

''(B) in the case of a person who served on active duty during the Cold War as an officer, that the person have completed that person's initial service obligation as an officer and have served in the armed forces after completing that initial service obligation.

''(3) The Secretary concerned, under regulations prescribed under this section, may waive the service requirements of paragraph (2)—

''(A) in the case of any person discharged or released from active duty for a disability incurred or aggravated in line of duty;

''(B) in the case of any person discharged for hardship under section 1173 of this title; and

''(C) under any other circumstance for which the Secretary determines that such a waiver is warranted.

''(c) ONE AWARD AUTHORIZED.—Not more than one Cold War service medal may be issued to any person.

''(d) ISSUANCE TO REPRESENTATIVE OF DECEASED.—If a person who is eligible for the Cold War service medal dies before being issued that medal, the medal may, upon application, be issued to the person's representative, as designated by the Secretary concerned.

''(e) REPLACEMENT.—Under regulations prescribed by the Secretary concerned, a Cold War service medal that is lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was issued may be replaced without charge.

''(f) UNIFORM REGULATIONS.—The Secretary of Defense shall ensure that regulations prescribed by the Secretaries of the military departments under this section are uniform so far as is practicable.

''(g) COLD WAR DEFINED.—In this section, the term 'Cold War' means the period beginning on September 2, 1945, and ending at the end of December 26, 1991.''.

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

''1134. Cold War service medal.''.

SEC. 548. 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. 549. SENSE OF CONGRESS ON NEW MEDAL TO RECOGNIZE CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE KILLED OR WOUNDED AS A RESULT OF HOSTILE ACTION.

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

(1) The role and importance of civilian nationals of the United States as Federal employees and contractors in support of operations of the Armed Forces worldwide has continued to expand.

(2) The expanded role performed by those civilians, both in the United States and overseas, has greatly increased the risk to those civilians of injury and death from hostile actions taken against United States Armed Forces, as demonstrated by the terrorist attack on the Pentagon on September 11, 2001, in which scores of Department of Defense civilian and contractor personnel were killed or wounded.

(3) No decoration exists for the recognition of civilian nationals of the United States who, while serving under competent authority in any capacity with the Armed Forces, are killed or wounded in the line of duty under circumstances which, if they were members of the Armed Forces, would qualify them for the award of the Purple Heart.

(4) Both the Congress and the Secretary of Defense have previously agreed to the need for such a decoration.

(5) On September 20, 2001, the Deputy Secretary of Defense approved the creation of a new award, a medal for the defense of freedom, to be awarded to civilians employed by the Department of Defense who are killed or wounded as a result of hostile action and at the same time directed that a comprehensive review be conducted to develop a more uniform approach to the award of decorations to military and civilian personnel of the Department of Defense.

(b) COMMENDATION OF CREATION OF NEW AWARD.—Congress commends the decision announced by the Deputy Secretary of Defense on September 20, 2001, to approve the creation of a new award, a medal for the defense of freedom, to be awarded to civilians employed by the Department of Defense who are killed or wounded as a result of hostile action.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense—

(1) should move expeditiously to produce and award the new medal referred to in subsection (b); and

(2) should develop a more comprehensive, uniform policy for the award of decorations to military and civilian personnel of the Department of Defense.

Subtitle F—Matters Relating to Voting

SEC. 551. VOTING ASSESSMENTS AND ASSISTANCE FOR MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1566. Voting assistance: compliance assessments and assistance

''(a) INSPECTOR GENERAL ASSESSMENTS.—(1) The Department of Defense Inspector General shall each calendar year conduct a random and unannounced assessment at a minimum of 15 Department of Defense installations of the compliance at those installations with—

''(A) the requirements of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.);

''(B) Department of Defense regulations regarding that Act and the Federal Voting Assistance Program carried out under that Act; and

''(C) other requirements of law regarding voting by members of the armed forces.

''(2) Each assessment under paragraph (1) shall include a review of such compliance—

''(A) within units to which are assigned, in the aggregate, not less than 20 percent of the personnel assigned to duty at that installation;

''(B) within a representative survey of members of the armed forces assigned to that installation and their dependents; and

''(C) within unit voting assistance officers to measure program effectiveness.

''(b) REGULAR MILITARY DEPARTMENT ASSESSMENTS.—The Secretary of each military department shall include in the set of issues and programs to be reviewed during any management effectiveness review or inspection an assessment of compliance with the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.) and with Department of Defense regulations regarding the Federal Voting Assistance Program.

''(c) VOTING ASSISTANCE OFFICERS.—Voting assistance officers appointed or assigned under Department of Defense regulations regarding the Federal Voting Assistance Program shall be appointed or assigned with the expectation of serving in that capacity for a minimum of 30 months. A member of the armed forces assigned to such a position may not be assigned other duties that would not be considered part of the member's primary military duties, except when a unit commander determines that insufficient personnel are available to fulfill all additional duty requirements. Performance evaluation reports pertaining to a member who has been assigned to serve as a voting assistance officer shall comment on the performance of the member as a voting assistance officer.

''(d) DELIVERY OF MAIL FROM OVERSEAS PRECEDING FEDERAL ELECTIONS.—(1) During the four months preceding a general Federal election month, the Secretary of Defense shall periodically conduct surveys of all overseas locations and vessels at sea with military units responsible for collecting mail for return shipment to the United States and all port facilities in the United States and overseas where military-related mail is collected for shipment to overseas locations or to the United States. The purpose of each survey shall be to determine if voting materials are awaiting shipment at any such location and, if so, the length of time that such materials have been held at that location. During the fourth and third months before a general Federal election month, such surveys shall be conducted biweekly. During the second and first months before a general Federal election month, such surveys shall be conducted weekly.

''(2) The Secretary shall ensure that voting materials are transmitted expeditiously by military postal authorities at all times.

''(3) In this section, the term 'general Federal election month' means November in an even-numbered year.''.

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

''1566. Voting assistance: compliance assessments and assistance.''.

SEC. 552. ELECTRONIC VOTING DEMONSTRATION PROJECT.

(a) DEMONSTRATION PROJECT.—The Secretary of Defense shall carry out a demonstration project to examine voting in Federal elections by absent uniformed services voters through a long-distance electronic voting system. The demonstration project shall be carried out for voting in the regularly scheduled general election for Federal office in November 2002. Under the demonstration project, absent uniformed services voters participating in the project shall be provided a means, with the cooperation and assistance of State election officials of States that agree to participate in the project, to cast their ballots in that election through a long-distance electronic voting method.

(b) SCOPE OF PROJECT.—The Secretary shall determine the scope of the demonstration project under this section, including the

absent uniformed services voters authorized to participate in the project. The project shall be carried out with participation of sufficient numbers of absent uniformed services voters so that the results are statistically relevant.

(c) COORDINATION WITH STATE ELECTION OFFICIALS.—The Secretary shall carry out the demonstration project under this section through cooperative agreements with State election officials of States that agree to participate in the project.

(d) REPORT TO CONGRESS.—Not later than June 1, 2003, the Secretary shall submit to Congress a report analyzing the demonstration project conducted under this section. The Secretary shall include in the report any recommendations the Secretary considers appropriate for continuing the project on an expanded basis during the next regularly scheduled general election for Federal office.

(e) ABSENT UNIFORMED SERVICES VOTER DEFINED.—In this section, the term ''absent uniformed services voter'' has the meaning given that term in section 107(1) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6(1)).

(f) STATE DEFINED.—In this section, the term ''State'' includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and American Samoa.

Subtitle G—Matters Relating to Military Spouses and Family Members

SEC. 561. IMPROVED FINANCIAL AND OTHER ASSISTANCE TO MILITARY SPOUSES FOR JOB TRAINING AND EDUCATION.

(a) EXAMINATION OF EXISTING EMPLOYMENT ASSISTANCE PROGRAMS.—(1) The Secretary of Defense shall examine existing Department of Defense and other Federal, State, and nongovernmental programs with the objective of improving retention of military personnel by increasing the employability of military spouses and assisting those spouses in gaining access to financial and other assistance for job training and education.

(2) In conducting the examination, the Secretary shall give priority to facilitating and increasing access of military spouses to existing Department of Defense, Federal, State, and nongovernmental sources for the types of financial assistance set forth in paragraph (3), but shall also specifically assess whether the Department of Defense should begin a program for direct financial assistance to military spouses for some or all of those types of assistance and whether such a program of direct financial assistance would enhance retention.

(3) In conducting the examination pursuant to paragraph (1), the Secretary should focus on financial assistance for military spouses for one or more of the following purposes:

(A) Career-related education.

(B) Certification and license fees for employment-related purposes.

(C) Apprenticeships and internships.

(D) Technical training.

(E) Training to improve job skills.

(F) Career counseling.

(G) Skills assessment.

(H) Job-search skills.

(I) Job-related transportation.

(J) Child care.

(K) Any additional employment-related purpose specified by the Secretary for the purposes of the examination under paragraph (1).

(4) Not later than March 30, 2002, 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 results of the examination under paragraph (1).

(b) REVIEW OF DEPARTMENT OF DEFENSE POLICIES.—(1) The Secretary of Defense shall review Department of Defense policies that affect employment and education opportunities for military spouses in the Department of Defense in order to further expand those opportunities. The review shall include the consideration of providing, to the extent authorized by law, separate spouse preferences for employment by appropriated and nonappropriated fund operations.

(2) Not later than March 30, 2002, 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 results of the review under paragraph (1).

(c) SPOUSE EMPLOYMENT ASSISTANCE.—Section 1784 of title 10, United States Code, is amended by adding at the end the following new subsections:

''(d) SPACE-AVAILABLE USE OF FACILITIES FOR SPOUSE TRAINING PURPOSES.—Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may make available to a non-Department of Defense entity space in non-excess facilities controlled by that Secretary for the purpose of the non-Department of Defense entity providing employment-related training for military spouses.

''(e) EMPLOYMENT BY OTHER FEDERAL AGENCIES.—The Secretary of Defense shall work with the Director of the Office of Personnel Management and the heads of other Federal departments and agencies to expand and facilitate the use of existing Federal programs and resources in support of military spouse employment.

''(f) PRIVATE-SECTOR EMPLOYMENT.—The Secretary of Defense—

''(1) shall seek to develop partnerships with firms in the private sector to enhance employment opportunities for spouses of members of the armed forces and to provide for improved job portability for such spouses, especially in the case of the spouse of a member of the armed forces accompanying the member to a new geographical area because of a change of permanent duty station of the member; and

''(2) shall work with the United States Chamber of Commerce and other appropriate private-sector entities to facilitate the formation of such partnerships.

''(g) EMPLOYMENT WITH DOD CONTRACTORS.—The Secretary of Defense shall examine and seek ways for incorporating hiring preferences for qualified spouses of members of the armed forces into contracts between the Department of Defense and private-sector entities.''.

SEC. 562. AUTHORITY TO CONDUCT SURVEYS OF DEPENDENTS AND SURVIVORS OF MILITARY RETIREES.

(a) EXTENSION OF SURVEY AUTHORITY.—Subsection (a) of section 1782 of title 10, United States Code, is amended to read as follows:

''(a) AUTHORITY.—The Secretary of Defense, in order to determine the effectiveness of Federal programs relating to military families and the need for new programs, may conduct surveys of—

''(1) members of the armed forces who are on active duty, in an active status, or retired;

''(2) family members of such members; and

''(3) survivors of retired members.''.

(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking ''family members'' and all that follows through ''armed forces'' the second place it appears and inserting ''persons covered by subsection (a)''.

SEC. 563. CLARIFICATION OF TREATMENT OF CLASSIFIED INFORMATION CONCERNING PERSONS IN A MISSING STATUS.

Section 1506(b)(2) of title 10, United States Code, is amended—

(1) by inserting ''(A)'' after ''(2)'';

(2) by striking the period at the end and inserting ''of all missing persons from the conflict or period of war to which the classified information pertains.''; and

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

''(B) For purposes of subparagraph (A), information shall be considered to be made reasonably available if placed in a separate and distinct file that is available for review by persons specified in subparagraph (A) upon the request of any such person either to review the separate file or to review the personnel file of the missing person concerned.''.

SEC. 564. TRANSPORTATION TO ANNUAL MEETING OF NEXT-OF-KIN OF PERSONS UNACCOUNTED FOR FROM CONFLICTS AFTER WORLD WAR II.

(a) IN GENERAL.—(1) Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2647. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II

''The Secretary of Defense may provide transportation for the next-of-kin of persons who are unaccounted for from the Korean conflict, the Cold War, Vietnam War era, or the Persian Gulf War to and from an annual meeting in the United States. Such transportation shall be provided under such regulations as the Secretary of Defense may prescribe.''.

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

''2647. Transportation to annual meeting of next-of-kin of persons unaccounted for from conflicts after World War II.''.

(b) EFFECTIVE DATE.—Section 2647 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 565. AMENDMENTS TO CHARTER OF DEFENSE TASK FORCE ON DOMESTIC VIOLENCE.

(a) MEMBERS APPOINTED FROM PRIVATE SECTOR.—Subsection (h)(1) of section 591 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 639; 10 U.S.C. 1562 note) is amended—

(1) by inserting ''who is a member of the Armed Forces or civilian officer or employee of the United States'' after ''Each member of the task force'';

(2) by striking '', but shall'' and all that follows and inserting a period; and

(3) by adding at the end the following new sentence: ''Other members of the task force shall be appointed in accordance with, and subject to, section 3161 of title 5, United States Code.''.

(b) EXTENSION OF TERMINATION DATE.—Subsection (j) of such section is amended by striking ''three years after the date of the enactment of this Act'' and inserting ''on April 24, 2003''.

Subtitle H—Military Justice and Legal Matters

SEC. 571. REQUIREMENT THAT COURTS-MARTIAL CONSIST OF NOT LESS THAN 12 MEMBERS IN CAPITAL CASES.

(a) CLASSIFICATION OF GENERAL COURT-MARTIAL IN CAPITAL CASES.—Section 816(1)(A) of title 10, United States Code (article 16(1)(A) of the Uniform Code of Military Justice) is amended by inserting after ''five

members'' the following: ''or, in a case in which the accused may be sentenced to a penalty of death, the number of members determined under section 825a of this title (article 25a)''.

(b) NUMBER OF MEMBERS REQUIRED.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 825 (article 25) the following new section:

''§ 825a. Art. 25a. Number of members in capital cases

''In a case in which the accused may be sentenced to a penalty of death, the number of members shall be not less than 12, unless 12 members are not reasonably available because of physical conditions or military exigencies, in which case the convening authority shall specify a lesser number of members not less than five, and the court may be assembled and the trial held with not less than the number of members so specified. In such a case, the convening authority shall make a detailed written statement, to be appended to the record, stating why a greater number of members were not reasonably available.''.

(2) The table of sections at the beginning of subchapter V of such chapter is amended by inserting after the item relating to section 825 (article 25) the following new item:

''825a. 25a. Number of members in capital cases.''.

(c) ABSENT AND ADDITIONAL MEMBERS.—Section 829(b) of such title (article 29 of the Uniform Code of Military Justice) is amended—

(1) by inserting ''(1)'' after ''(b)'';

(2) by striking ''five members'' both places it appears and inserting ''the applicable minimum number of members''; and

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

''(2) In this section, the term 'applicable minimum number of members' means five members or, in a case in which the death penalty may be adjudged, the number of members determined under section 825a of this title (article 25a).''.

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to offenses committed after the date of the enactment of this Act.

SEC. 572. RIGHT OF CONVICTED ACCUSED TO REQUEST SENTENCING BY MILITARY JUDGE.

(a) SENTENCING BY JUDGE.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 852 (article 52) the following new section:

''§ 852a. Art. 52a. Right of accused to request sentencing by military judge rather than by members

''(a) In the case of an accused convicted of an offense by a court-martial composed of a military judge and members, the sentence shall be tried before and adjudged by the military judge rather than the members if, after the findings are announced and before evidence in the sentencing proceeding is introduced, the accused, knowing the identity of the military judge and after consultation with defense counsel, requests orally on the record or in writing that the sentence be tried before and adjudged by the military judge rather than the members.

''(b) This section shall not apply with respect to an offense for which the death penalty may be adjudged unless the case has been previously referred to trial as a noncapital case.''.

(2) The table of sections at the beginning of subchapter VII of such chapter is amended by inserting after the item relating to section 852 (article 52) the following new item:

''852a. 52a. Right of accused to request sentencing by military judge rather than by members.''.

(b) EFFECTIVE DATE.—Section 852a of title 10, United States Code (article 52a of the Uniform Code of Military Justice), as added by subsection (a), shall apply with respect to offenses committed after the date of the enactment of this Act.

SEC. 573. CODIFICATION OF REQUIREMENT FOR REGULATIONS FOR DELIVERY OF MILITARY PERSONNEL TO CIVIL AUTHORITIES WHEN CHARGED WITH CERTAIN OFFENSES

(a) CODIFICATION OF EXISTING PROVISIONS.—Section 814 of title 10, United States Code (article 14 of the Uniform Code of Military Justice), is amended by adding at the end the following new subsection:

''(c) The Secretary of Defense shall ensure that the Secretaries of the military departments prescribe regulations under subsection (a) and that those regulations are uniform throughout the armed forces under the jurisdiction of the Secretary of Defense. Those regulations shall—

''(1) specifically provide for the delivery to the appropriate civil authority for trial, in any appropriate case, of a member accused by civil authority of parental kidnapping or a similar offense, including criminal contempt arising from any such offense or from child custody matters; and

''(2) specifically address the special needs for the exercise of the authority contained in this section (article) in a case in which a member of the armed forces assigned overseas is accused of an offense by civil authority.''.

(b) REPEAL OF CODIFIED PROVISIONS.—Section 721 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 10 U.S.C. 814 note), is repealed.

SEC. 574. AUTHORITY TO ACCEPT VOLUNTARY LEGAL SERVICES FOR MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—Subsection (a) of section 1588 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(5) Voluntary legal assistance services under section 1044 of this title.''.

(b) APPLICABLE FEDERAL LAWS.—Subsection (d)(1) of such section is amended by adding at the end the following new subparagraph:

''(E) Section 1054 of this title (relating to defense of certain suits arising out of legal malpractice), in the case of persons providing voluntary legal assistance services under subsection (a)(5).''.

Subtitle I—Other Matters

SEC. 581. SHIPMENT OF PRIVATELY OWNED VEHICLES WHEN MAKING PERMANENT CHANGE OF STATION MOVES WITHIN UNITED STATES.

Section 2634(h)(1) of title 10, United States Code, is amended by inserting ''or when the Secretary concerned determines that the transport of a vehicle upon such a transfer is advantageous and cost-effective to the United States'' before the period at the end.

SEC. 582. PAYMENT OF VEHICLE STORAGE COSTS IN ADVANCE.

Section 2634(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(4) Storage costs payable under this subsection may be paid in advance.''.

SEC. 583. PERMANENT AUTHORITY FOR USE OF MILITARY RECRUITING FUNDS FOR CERTAIN EXPENSES AT DEPARTMENT OF DEFENSE RECRUITING FUNCTIONS.

(a) REPEAL OF TERMINATION PROVISION.—Section 520c of title 10, United States Code, is amended by striking subsection (c).

(b) TECHNICAL AMENDMENTS.—Subsection (a) of such section is amended—

(1) in paragraph (4), by striking ''recruiting events'' and inserting ''recruiting functions''; and

(2) in paragraph (5), by striking ''recruiting efforts'' the first place it appears and inserting ''recruiting functions''.

SEC. 584. CLARIFICATION OF MILITARY RECRUITER ACCESS TO SECONDARY SCHOOL DIRECTORY INFORMATION ABOUT STUDENTS.

(a) ACCESS TO DIRECTORY INFORMATION.—Section 503(c)(1) of title 10, United States Code, is amended by striking ''purposes,'' and all that follows and inserting the following: ''purposes—

''(A) the same access to secondary school students as is provided generally to post-secondary educational institutions or to prospective employers of those students; and

''(B) the same access to directory information concerning those students as is provided to a post-secondary educational institution upon an indication by a secondary school student that the student seeks to enroll or intends to enroll at that institution.''.

(b) ENHANCED RECRUITER ACCESS.—Section 503(c)(5) of such title is amended by striking ''do not apply to—'' and all that follows through ''(B)'' and inserting ''do not apply to''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on July 1, 2002, immediately after the amendment to section 503(c) of title 10, United States Code, made, effective that date, by section 563(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–131).

SEC. 585. REPEAL OF REQUIREMENT FOR FINAL COMPTROLLER GENERAL REPORT RELATING TO ARMY END STRENGTH ALLOCATIONS.

Section 552 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 319; 10 U.S.C. 115 note) is repealed.

SEC. 586. POSTHUMOUS ARMY COMMISSION IN THE GRADE OF CAPTAIN IN THE CHAPLAINS CORPS TO ELLA E. GIBSON FOR SERVICE AS CHAPLAIN OF THE FIRST WISCONSIN HEAVY ARTILLERY REGIMENT DURING THE CIVIL WAR.

The President is authorized and requested to posthumously appoint Ella E. Gibson to the grade of captain in the Chaplains Corps of the Army, the commission to issue as of the date of her appointment as chaplain to the First Wisconsin Heavy Artillery regiment during the Civil War and to be considered to have been in effect during the time during which she faithfully performed the services of a chaplain to that regiment and for which Congress by law (Private Resolution 31 of the 40th Congress, approved March 3, 1869) previously provided for her to be paid the full pay and emoluments of a chaplain in the United States Army as if she had been regularly commissioned and mustered into service.

SEC. 587. NATIONAL GUARD CHALLENGE PROGRAM.

(a) TERMINATION OF LIMITATION ON FEDERAL EXPENDITURES.—Subsection (b)(2)(A) of section 509 of title 32, United States Code, is amended by striking ''in a fiscal year'' and inserting ''in fiscal year 2001 or 2002''.

(b) MATCHING FUNDS REQUIREMENTS.—Subsection (d) of such section is amended by striking paragraphs (1) through (4) and inserting the following new paragraphs:

''(1) for fiscal years 2001 and 2002, 60 percent of the costs of operating the State program during that fiscal year; and

''(2) for fiscal year 2003 and each subsequent fiscal year, 75 percent of the costs of operating the State program during that fiscal year.''.

(c) REPEAL OF CONTINGENT FUNDING FOR JROTC.—(1) Section 2033 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 102 of such title is amended by striking the item relating to section 2033.

(3) The amendments made by this subsection shall take effect on October 1, 2002.

SEC. 588. PAYMENT OF FEHBP PREMIUMS FOR CERTAIN RESERVISTS CALLED TO ACTIVE DUTY IN SUPPORT OF CONTINGENCY OPERATIONS.

(a) IN GENERAL.—Subsection (e) of section 8906 of title 5, United States Code, is amended by adding at the end the following new paragraph:

''(3)(A) An employing agency may pay both the employee and Government contributions, and any additional administrative expenses otherwise chargeable to the employee, with respect to health care coverage for an employee described in subparagraph (B) and the family of such employee.

''(B) An employee referred to in subparagraph (A) is an employee who—

''(i) is enrolled in a health benefits plan under this chapter;

''(ii) is a member of a reserve component of the armed forces;

''(iii) is called or ordered to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10);

''(iv) is placed on leave without pay or separated from service to perform active duty; and

''(v) serves on active duty for a period of more than 30 consecutive days.

''(C) Notwithstanding the one-year limitation on coverage described in paragraph (1)(A), payment may be made under this paragraph for a period not to exceed 18 months.''.

(b) CONFORMING AMENDMENT.—The matter preceding paragraph (1) in subsection (f) of such section is amended to read as follows:

''(f) The Government contribution, and any additional payments under subsection (e)(3)(A), for health benefits for an employee shall be paid—''.

(c) APPLICABILITY.—The amendments made by this section apply with respect to employees called to active duty on or after December 8, 1995, and an agency may make retroactive payments to such employees for premiums paid on or after such date.

SEC. 589. 18-MONTH ENLISTMENT PILOT PROGRAM.

(a) IN GENERAL.—(1) Chapter 333 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 3264. 18-month enlistment pilot program

''(a) During the pilot program period, the Secretary of the Army shall carry out a pilot program with the objective of increasing participation of prior service persons in the Selected Reserve and providing assistance in building the pool of participants in the Individual Ready Reserve.

''(b) Under the program, the Secretary may, notwithstanding section 505(c) of this title, accept persons for original enlistment in the Army for a term of enlistment consisting of 18 months service on active duty, to be followed by three years of service in the Selected Reserve and then service in the Individual Ready Reserve to complete the military service obligation.

''(c) No more than 10,000 persons may be accepted for enlistment in the Army through the program under this section.

''(d) A person enlisting in the Army through the program under this section is eligible for an enlistment bonus under section 309 of title 37, notwithstanding the enlistment time period specified in subsection (a) of that section.

''(e) For purposes of the program under this section, the pilot program period is the period beginning on October 1, 2003, and ending on December 31, 2007.

''(f) Not later than December 31, 2007, and December 31, 2012, 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 program under this section. In each such report, the Secretary shall set forth the views of the Secretary on the success of the program in meeting the objectives stated in subsection (a) and whether the program should be continued and, if so, whether it should be modified or expanded.''.

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

''3264. 18-month enlistment pilot program.''.

(b) IMPLEMENTATION REPORT.—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 Secretary's plan for implementation of section 3264 of title 10, United States Code, as added by subsection (a). Such report shall be submitted not later than March 1, 2002.

SEC. 590. PER DIEM ALLOWANCE FOR LENGTHY OR NUMEROUS DEPLOYMENTS.

(a) FUNDING SOURCE FOR ALLOWANCE.—Section 436(a) of title 37, United States Code, is amended by adding at the end the following new sentence: ''The Secretary shall pay the allowance from appropriations available for operation and maintenance for the armed force in which the member serves.''.

(b) EXPANDED REPORT REGARDING MANAGEMENT OF INDIVIDUAL MEMBER DEPLOYMENTS.—Section 574(d) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–138) is amended in the second sentence by striking paragraphs (1) and (2) and inserting the following new paragraphs:

''(1) a discussion of the experience in tracking and recording the deployments of members of the Armed Forces and the payment of the per diem allowance for lengthy or numerous deployments in accordance with section 436 of title 37, United States Code;

''(2) specific comments regarding the effect of section 991 of title 10, United States Code, and section 436 of title 37, United States Code, on the readiness of the Navy and Marine Corps given the deployment intensive mission of these services; and

''(3) any recommendations for revision of section 991 of title 10, United States Code, or section 436 of title 37, United States Code, that the Secretary considers appropriate.''.

SEC. 591. CONGRESSIONAL REVIEW PERIOD FOR CHANGE IN GROUND COMBAT EXCLUSION POLICY.

Section 542(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 113 note) is amended—

(1) in paragraph (1)—

(A) by striking ''not less than 90 days''; and

(B) by adding at the end the following new sentence: ''Such a change may then be implemented only after the end of a period of 60 days of continuous session of Congress (excluding any day on which either House of Congress is not in session) following the date on which the report is received.''; and

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

''(5) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die.''.

SEC. 592. REPORT ON HEALTH AND DISABILITY BENEFITS FOR PRE-ACCESSION TRAINING AND EDUCATION PROGRAMS.

(a) STUDY.—The Secretary of Defense shall conduct a review of the health and disability benefit programs available to recruits and officer candidates engaged in training, education, or other types of programs while not yet on active duty and to cadets and midshipmen attending the service academies. The review shall be conducted with the participation of the Secretaries of the military departments.

(b) REPORT.—Not later than March 1, 2002, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the findings of the review. The report shall include the following with respect to persons described in subsection (a):

(1) A statement of the process and detailed procedures followed by each of the Armed Forces under the jurisdiction of the Secretary of a military department to provide health care and disability benefits to all such persons injured in training, education, or other types of programs conducted by the Secretary of a military department.

(2) Information on the number of total cases of such persons requiring health care and disability benefits and the total number of cases and average value of health care and disability benefits provided under the authority for each source of benefits available to those persons.

(3) A discussion of the issues regarding health and disability benefits for such persons that are encountered by the Secretary during the review, to include discussions with individuals who have received those benefits.

(4) A discussion of the necessity for legislative changes and specific legislative proposals needed to improve the benefits provided those persons.

SEC. 593. REQUIREMENT TO PROVIDE APPROPRIATE ARTICLES OF CLOTHING AS A CIVILIAN UNIFORM FOR CIVILIANS PARTICIPATING IN FUNERAL HONOR DETAILS FOR VETERANS UPON SHOWING OF FINANCIAL NEED.

Section 1491(d) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before ''To provide'';

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

(3) by adding at the end the following:

''(2)(A) Upon a showing of financial need and subject to subparagraph (B), the Secretary of a military department shall provide articles of clothing described in subparagraph (C) to an organization referred to in subsection (b)(2) or to members of such an organization who participate in funeral honors details. Any such showing of financial need shall be made in such manner as the Secretary may require.

''(B) The Secretary concerned may provide articles of clothing to an organization (or members of an organization) under this paragraph only if the Secretary determines that participation of that organization or its members in the funeral honors mission is advantageous to the performance of that mission and meets the performance standards set by the Secretary for that mission.

''(C) Articles of clothing covered by subparagraph (A) are articles of clothing determined by the Secretary concerned to be appropriate as a civilian uniform for persons participating in a funeral honors detail who are not authorized to wear the uniform of any of the armed forces.''.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2002.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during

fiscal year 2002 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, 2002, 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	7,180.20	7,415.40	7,571.10	7,614.90	7,809.30
0–7	5,966.40	6,371.70	6,371.70	6,418.20	6,657.90
0–6	4,422.00	4,857.90	5,176.80	5,176.80	5,196.60
0–5	3,537.00	4,152.60	4,440.30	4,494.30	4,673.10
0–4	3,023.70	3,681.90	3,927.60	3,982.50	4,210.50
0–3 [3]	2,796.60	3,170.40	3,421.80	3,698.70	3,875.70
0–2 [3]	2,416.20	2,751.90	3,169.50	3,276.30	3,344.10
0–1 [3]	2,097.60	2,183.10	2,638.50	2,638.50	2,638.50
	Over 8	Over 10	Over 12	Over 14	Over 16
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	8,135.10	8,210.70	8,519.70	8,608.50	8,874.30
0–7	6,840.30	7,051.20	7,261.80	7,472.70	8,135.10
0–6	5,418.90	5,448.60	5,448.60	5,628.60	6,305.70
0–5	4,673.10	4,813.50	5,073.30	5,413.50	5,755.80
0–4	4,395.90	4,696.20	4,930.20	5,092.50	5,255.70
0–3 [3]	4,070.10	4,232.40	4,441.20	4,549.50	4,549.50
0–2 [3]	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
0–1 [3]	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50
	Over 18	Over 20	Over 22	Over 24	Over 26
0–10 [2]	$0.00	11,601.90	11,659.20	11,901.30	12,324.00
0–9	0.00	10,147.50	10,293.60	10,504.80	10,873.80
0–8	9,259.50	9,614.70	9,852.00	9,852.00	9,852.00
0–7	8,694.90	8,694.90	8,694.90	8,694.90	8,738.70
0–6	6,627.00	6,948.30	7,131.00	7,316.10	7,675.20
0–5	5,919.00	6,079.80	6,262.80	6,262.80	6,262.80
0–4	5,310.60	5,310.60	5,310.60	5,310.60	5,310.60
0–3 [3]	4,549.50	4,549.50	4,549.50	4,549.50	4,549.50
0–2 [3]	3,344.10	3,344.10	3,344.10	3,344.10	3,344.10
0–1 [3]	2,638.50	2,638.50	2,638.50	2,638.50	2,638.50

[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, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is $13,598.10, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

[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	3,698.70	3,875.70
0–2E	0.00	0.00	0.00	3,276.30	3,344.10
0–1E	0.00	0.00	0.00	2,638.50	2,818.20
	Over 8	Over 10	Over 12	Over 14	Over 16
0–3E	4,070.10	4,232.40	4,441.20	4,617.00	4,717.50
0–2E	3,450.30	3,630.00	3,768.90	3,872.40	3,872.40
0–1E	2,922.30	3,028.50	3,133.20	3,276.30	3,276.30
	Over 18	Over 20	Over 22	Over 24	Over 26
0–3E	4,855.20	4,855.20	4,855.20	4,855.20	4,855.20
0–2E	3,872.40	3,872.40	3,872.40	3,872.40	3,872.40
0–1E	3,276.30	3,276.30	3,276.30	3,276.30	3,276.30

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	2,889.60	3,108.60	3,198.00	3,285.90	3,437.10
W–3	2,638.80	2,862.00	2,862.00	2,898.90	3,017.40
W–2	2,321.40	2,454.00	2,569.80	2,654.10	2,726.40
W–1	2,049.90	2,217.60	2,330.10	2,402.70	2,511.90
	Over 8	Over 10	Over 12	Over 14	Over 16
W–5	$0.00	$0.00	$0.00	$0.00	$0.00
W–4	3,586.50	3,737.70	3,885.30	4,038.00	4,184.40
W–3	3,152.40	3,330.90	3,439.50	3,558.30	3,693.90
W–2	2,875.20	2,984.40	3,093.90	3,200.40	3,318.00
W–1	2,624.70	2,737.80	2,850.00	2,963.70	3,077.10
	Over 18	Over 20	Over 22	Over 24	Over 26
W–5	$0.00	4,965.60	5,136.00	5,307.00	5,478.60
W–4	4,334.40	4,480.80	4,632.60	4,782.00	4,935.30
W–3	3,828.60	3,963.60	4,098.30	4,233.30	4,368.90
W–2	3,438.90	3,559.80	3,680.10	3,801.30	3,801.30

WARRANT OFFICERS [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
W–1	3,189.90	3,275.10	3,275.10	3,275.10	3,275.10

[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	1,986.90	2,169.00	2,251.50	2,332.50	2,417.40
E–6	1,701.00	1,870.80	1,953.60	2,033.70	2,117.40
E–5	1,561.50	1,665.30	1,745.70	1,828.50	1,912.80
E–4	1,443.60	1,517.70	1,599.60	1,680.30	1,752.30
E–3	1,303.50	1,385.40	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	[3] 1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 8	Over 10	Over 12	Over 14	Over 16
E–9 [2]	$0.00	$3,423.90	3,501.30	3,599.40	3,714.60
E–8	2,858.10	2,940.60	3,017.70	3,110.10	3,210.30
E–7	2,562.90	2,645.10	2,726.40	2,808.00	2,892.60
E–6	2,254.50	2,337.30	2,417.40	2,499.30	2,558.10
E–5	2,030.10	2,110.20	2,193.30	2,193.30	2,193.30
E–4	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E–3	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50
	Over 18	Over 20	Over 22	Over 24	Over 26
E–9 [2]	$3,830.40	3,944.10	4,098.30	4,251.30	4,467.00
E–8	3,314.70	3,420.30	3,573.00	3,724.80	3,937.80
E–7	2,975.10	3,057.30	3,200.40	3,292.80	3,526.80
E–6	2,602.80	2,602.80	2,602.80	2,602.80	2,602.80
E–5	2,193.30	2,193.30	2,193.30	2,193.30	2,193.30
E–4	1,752.30	1,752.30	1,752.30	1,752.30	1,752.30
E–3	1,468.50	1,468.50	1,468.50	1,468.50	1,468.50
E–2	1,239.30	1,239.30	1,239.30	1,239.30	1,239.30
E–1	1,105.50	1,105.50	1,105.50	1,105.50	1,105.50

[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, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is $5,382.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.
[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 $1,022.70.

SEC. 602. BASIC PAY RATE FOR CERTAIN RESERVE COMMISSIONED OFFICERS WITH PRIOR SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER.

Section 203(d) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(d)'';

(2) by striking ''who is credited'' and all that follows through ''and enlisted member'' and inserting ''is described in paragraph (2)''; and

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

''(2) Paragraph (1) applies with respect to a commissioned officer in pay grade O–1, O–2, or O–3 who—

''(A) is credited with a total of over four years' active service as warrant officer or as a warrant officer and enlisted member; or

''(B) earned a total of more than 1,460 points credited under section 12732(a)(2) of title 10 while serving as a warrant officer or enlisted member.''.

SEC. 603. SUBSISTENCE ALLOWANCES.

(a) BASIC ALLOWANCE FOR SUBSISTENCE.—Section 402 of title 37, United States Code, is amended—

(1) in subsection (b), by adding at the end the following new paragraph:

''(4) For purposes of implementing paragraph (2), the monthly rate of basic allowance for subsistence that was in effect for an enlisted member for calendar year 2001 shall be deemed to be $233.''; and

(2) by striking subsection (d) and inserting the following new subsection:

''(d) SPECIAL RULE FOR ENLISTED MEMBERS WHO MESS SEPARATELY.—The Secretary of Defense may prescribe a basic allowance for subsistence for enlisted members at a rate higher than the rate provided for in subsection (b) when messing facilities of the United States are not available for the members.''.

(b) TERMINATION OF BAS TRANSITIONAL AUTHORITY.—Effective as of October 1, 2001, section 603(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–145) is amended by striking ''October 1, 2001'' and inserting ''January 1, 2002''.

(c) FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE FOR LOW-INCOME MEMBERS OF THE ARMED FORCES.—Section 402a(b)(1) of title 37, United States Code, is amended by inserting ''with dependents'' after ''a member of the armed forces''.

SEC. 604. ELIGIBILITY FOR BASIC ALLOWANCE FOR HOUSING WHILE BETWEEN PERMANENT DUTY STATIONS.

(a) REPEAL OF PAY GRADE LIMITATION.—Section 403(i) of title 37, United States Code, is amended by striking ''who is in a pay grade E–4 (4 or more years of service) or above''.

(b) EFFECTIVE DATE; APPLICATION.—The amendment made by this section shall take effect on January 1, 2003, and apply to members of the uniformed services in a travel or leave status between permanent duty stations on or after that date.

SEC. 605. UNIFORM ALLOWANCE FOR OFFICERS.

(a) RELATION TO INITIAL UNIFORM ALLOWANCE.—Section 416(b)(1) of title 37, United States Code, is amended by striking ''$200'' and inserting ''$400''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as of October 1, 2000.

SEC. 606. FAMILY SEPARATION ALLOWANCE FOR CERTAIN MEMBERS ELECTING TO SERVE UNACCOMPANIED TOUR OF DUTY.

(a) AVAILABILITY OF ALLOWANCE.—Section 427(c) of title 37, United States Code, is amended—

(1) by striking ''A member'' in the first sentence and inserting ''(1) Except as provided in paragraph (2) or (3), a member'';

(2) by redesignating the second sentence as paragraph (3); and

(3) by inserting after the first sentence the following new paragraph:

''(2) A member who elects to serve an unaccompanied tour of duty because the movement of a dependent of the member to the permanent station is denied for certified medical reasons is entitled to an allowance under subsection (a)(1)(A).''.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002. Paragraph (2) of section 427(c) of title 37, United States Code, as added by subsection (a), shall apply with respect to pay periods beginning on or after that date for a member of the uniformed services covered by such paragraph regardless of the date on which the member first made the election to serve an unaccompanied tour of duty.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking ''January 1, 2002'' and inserting ''January 1, 2003''.

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

SEC. 613. 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, 2001'' and inserting ''December 31, 2002''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(c) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 309(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(d) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

(g) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.—Section 323(i) of such title is amended by striking ''December 31, 2001'' and inserting ''December 31, 2002''.

SEC. 614. CONFORMING ACCESSION BONUS FOR DENTAL OFFICERS AUTHORITY WITH AUTHORITIES FOR OTHER SPECIAL PAY AND BONUSES.

Section 302h(a)(1) of title 37, United States Code, is amended by striking ''the date of the enactment of this section, and ending on September 30, 2002'' and inserting ''September 23, 1996, and ending on December 31, 2002''.

SEC. 615. ADDITIONAL TYPE OF DUTY RESULTING IN ELIGIBILITY FOR HAZARDOUS DUTY INCENTIVE PAY.

(a) PERFORMANCE OF MARITIME BOARD AND SEARCH OPERATIONS.—Section 301(a) of title 37, United States Code, is amended—

(1) in paragraph (10), by striking ''or'' at the end;

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10) the following new paragraph:

''(11) involving regular participation as a member of a team conducting visit, board, search, and seizure operations aboard vessels in support of maritime interdiction operations; or''.

(b) MONTHLY AMOUNT.—Subsection (c) of such section is amended—

(1) in paragraph (1), by striking ''(10)'' and inserting ''(11)''; and

(2) in paragraph (2)(A), by striking ''(11)'' and inserting ''(12)''.

(c) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002, and apply to duty described in the amendment made by subsection (a)(2) on or after that date.

SEC. 616. EQUAL TREATMENT OF RESERVISTS PERFORMING INACTIVE-DUTY TRAINING FOR RECEIPT OF AVIATION CAREER INCENTIVE PAY.

(a) INCENTIVE PAY EQUITY FOR RESERVISTS.—Subsection (d) of section 301a of title 37, United States Code, is amended to read as follows:

''(d) MEMBERS PERFORMING INACTIVE-DUTY TRAINING.—Under regulations prescribed by the President and to the extent provided for by appropriations, in the case of a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, and who performs, under orders, duty described in subsection (a), the member is also entitled to monthly incentive pay under subsection (b) for the performance of that duty in the same manner as a member with corresponding years of aviation service who is entitled to basic pay. Such member is entitled to the incentive pay for as long as the member remains qualified for it, as provided in subsection (a). This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.''.

(b) EFFECTIVE DATE; APPLICATION.—The amendment made by this section shall take effect on January 1, 2002, and apply to duty described in the amendment made by subsection (a)(2) on or after that date.

SEC. 617. SECRETARIAL DISCRETION IN PRESCRIBING SUBMARINE DUTY INCENTIVE PAY RATES.

(a) AUTHORITY OF SECRETARY OF THE NAVY; MAXIMUM RATE.—Section 301c of title 37, United States Code, is amended by striking subsection (b) and inserting the following new subsection:

''(b) MONTHLY RATES.—(1) Subject to paragraph (2), a member who meets the requirements prescribed in subsection (a) is entitled to monthly submarine duty incentive pay in an amount prescribed by the Secretary of the Navy.

''(2) The monthly amount of submarine duty incentive pay may not exceed $1,000.''.

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

(1) in subsection (a), by striking ''set forth in'' each place it appears and inserting ''prescribed pursuant to''; and

(2) in subsection (d), by striking ''authorized by'' and inserting ''prescribed pursuant to''.

(c) EFFECTIVE DATE; TRANSITION.—The amendments made by this section shall take effect on January 1, 2002. The tables set forth in subsection (b) of section 301c of title 37, United States Code, as in effect on December 31, 2001, shall continue to apply until the Secretary of the Navy prescribes new submarine duty incentive pay rates as authorized by the amendment made by subsection (a).

SEC. 618. IMPOSITION OF CRITICAL WARTIME SKILL REQUIREMENT FOR ELIGIBILITY FOR INDIVIDUAL READY RESERVE BONUS.

Section 308h(a)(1) of title 37, United States Code, is amended—

(1) by striking ''and who'' and inserting '', who is qualified in a skill or speciality designated by the Secretary concerned as critically short to meet wartime requirements, and who''; and

(2) by striking ''a combat or combat support skill of''.

SEC. 619. INSTALLMENT PAYMENT AUTHORITY FOR 15-YEAR CAREER STATUS BONUS.

(a) MEMBER ELECTION.—Section 322(d) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking ''paid in a single lump sum of'' and inserting ''equal to'';

(2) by redesignating paragraph (2) as paragraph (4), and in such paragraph, by striking ''The bonus'' and inserting ''The lump sum payment of the bonus, and the first installment payment in the case of members who elect to receive the bonus in installments,''; and

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

''(2) A member electing to receive the bonus under this section shall elect one of the following payment options:

''(A) A single lump sum of $30,000.

''(B) Two installments of $15,000 each.

''(C) Three installments of $10,000 each.

''(D) Four installments of $7,500 each.

''(E) Five installments of $6,000 each.

''(3) If a member elects installment payments under paragraph (2), the second installment (and subsequent installments, as applicable) shall be paid on the earlier of the following dates:

''(A) The annual anniversary date of the payment of the first installment.

''(B) January 15 of each succeeding calendar year.''.

(c) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on the date of the enactment of this Act. The Secretary concerned (as defined in section 101(5) of title 37, United States Code) shall extend to each member of the uniformed services who has executed the written agreement required by subsection (a)(2) of section 322 of such title before that date, but who has not received the lump sum payment by that date, an opportunity to make the election authorized by subsection (d) of such section, as amended by subsection (a) of this section.

SEC. 620. ACCESSION BONUS FOR NEW OFFICERS.

(a) BONUS AUTHORIZED.—Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

''§ 324. Special pay: accession bonus for new officers

''(a) ACCESSION BONUS AUTHORIZED.—Under regulations prescribed by the Secretary concerned, a person who executes a written agreement to accept a commission as an officer of the armed forces and serve on active duty for the period specified in the agreement may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

''(b) LIMITATION ON AMOUNT OF BONUS.—The amount of an accession bonus under subsection (a) may not exceed $100,000.

''(c) PAYMENT METHOD.—Upon acceptance of a written agreement under subsection (a) by the Secretary concerned, the total amount of the accession bonus payable under the agreement becomes fixed. The agreement shall specify whether the accession bonus will be paid by the Secretary in a lump sum or installments.

''(d) RELATION TO OTHER ACCESSION BONUS AUTHORITY.—An individual may not receive a accession bonus under this section and section 302d, 302h, 302j, or 312b of this title for the same period of service.

''(e) REPAYMENT.—(1) If an individual who has entered into an agreement under subsection (a) and has received all or part of the accession bonus under the agreement fails to accept a commission as an officer or to commence or complete the total period of active duty service specified in the agreement, the Secretary concerned may require the individual to repay the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, any or all of the amount paid to the individual under the agreement.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of a written agreement entered into under subsection (a) does not discharge the individual signing the agreement from a debt arising under such agreement or under paragraph (1).''.

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

''324. Special pay: accession bonus for new officers.''.

Subtitle C—Travel and Transportation Allowances

SEC. 631. MINIMUM PER DIEM RATE FOR TRAVEL AND TRANSPORTATION ALLOWANCE FOR TRAVEL PERFORMED UPON A CHANGE OF PERMANENT STATION AND CERTAIN OTHER TRAVEL.

(a) ESTABLISHMENT OF RATE.—Section 404(d) of title 37, United States Code, is amended by adding at the end the following new paragraph:

''(5) The per diem rates established under paragraph (2)(A) for travel performed in connection with a change of permanent station or for travel described in paragraph (2) or (3) of subsection (a) shall be equal to the standard per diem rates established in the Federal travel regulation for travel within the continental United States of civilian employees and their dependents, unless the Secretaries concerned determines that a higher rate for members is more appropriate.''.

(b) EFFECTIVE DATE; APPLICATION.—The amendment made by this section shall take effect on January 1, 2003, and apply to travel covered by such amendment that is performed on or after that date by members of the uniformed services and their dependents.

SEC. 632. PAYMENT OR REIMBURSEMENT OF TEMPORARY SUBSISTENCE EXPENSES.

(a) INCLUSION OF OFFICERS.—Subsection (a)(2)(C) of section 404a of title 37, United States Code, is amended by striking ''an enlisted member'' and inserting ''a member''.

(b) INCREASE IN MAXIMUM DAILY AUTHORIZED RATE.—Subsection (e) of such section is amended by striking ''$110'' and inserting ''$180''.

(c) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002, and apply with respect to an order in connection with a change of permanent station issued on or after that date.

SEC. 633. INCREASED WEIGHT ALLOWANCE FOR TRANSPORTATION OF BAGGAGE AND HOUSEHOLD EFFECTS FOR JUNIOR ENLISTED MEMBERS.

(a) INCREASED WEIGHT ALLOWANCES.—The table in section 406(b)(1)(C) of title 37, United States Code, is amended—

(1) by striking the two footnotes; and

(2) by striking the items relating to pay grade E–1 through E–4 and inserting the following new items:

''E–4	7,000	8,000
''E–3	5,000	8,000
''E–2	5,000	8,000
''E–1	5,000	8,000''.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order in connection with a change of temporary or permanent station issued on or after that date.

SEC. 634. REIMBURSEMENT OF MEMBERS FOR MANDATORY PET QUARANTINE FEES FOR HOUSEHOLD PETS.

Section 406(a)(1) of title 37, United States Code, is amended in the last sentence by striking ''$275'' and inserting ''$675''.

SEC. 635. AVAILABILITY OF DISLOCATION ALLOWANCE FOR MARRIED MEMBER, WHOSE SPOUSE IS A MEMBER, ASSIGNED TO MILITARY FAMILY HOUSING.

(a) ALLOWANCE AVAILABLE.—Section 407(a)(2) of title 37, United States Code, is amended by adding at the end the following new subparagraph:

''(F) A member married to another member, both of whom are without other dependents, who actually moves to a new permanent duty station where the member is assigned to family housing provided by the United States, except that only one dislocation allowance may be paid to the married couple with respect to the move.''.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order to move for a member of a uniformed service issued on or after that date.

SEC. 636. ELIMINATION OF PROHIBITION ON RECEIPT OF DISLOCATION ALLOWANCE BY MEMBERS ORDERED TO FIRST DUTY STATION.

(a) ALLOWANCE AVAILABLE.—Section 407(e) of title 37, United States Code, is amended—

(1) by striking ''FIRST OR LAST DUTY'' and inserting ''EFFECT OF ORDER FROM LAST DUTY STATION''; and

(2) by striking ''from the member's home to the member's first duty station or''.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2003, and apply with respect to an order to move for a member of a uniformed service issued on or after that date.

SEC. 637. PARTIAL DISLOCATION ALLOWANCE AUTHORIZED FOR HOUSING MOVES ORDERED FOR GOVERNMENT CONVENIENCE.

(a) AUTHORIZATION OF PARTIAL DISLOCATION ALLOWANCE.—Section 407 of title 37, United States Code is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection:

''(f) PARTIAL DISLOCATION ALLOWANCE.—(1) Under regulations prescribed by the Secretary concerned, a member ordered to occupy or vacate family housing provided by the United States to permit the privatization or renovation of housing or for any other reason (other than pursuant to a permanent change of station) may be paid a partial dislocation allowance of $500.

''(2) Effective on the same date that the monthly rates of basic pay for all members are increased under section 1009 of this title or another provision of law, the Secretary of Defense shall adjust the rate of the partial dislocation allowance authorized by this subsection by the percentage equal to the average percentage increase in the rates of basic pay.

''(3) Subsections (c) and (d) do not apply to the partial dislocation allowance authorized by this subsection.''.

(b) EFFECTIVE DATE; APPLICATION.—The amendments made by this section shall take effect on January 1, 2002, and apply with respect to an order to move for a member of a uniformed service issued on or after that date.

SEC. 638. ALLOWANCES FOR TRAVEL PERFORMED IN CONNECTION WITH MEMBERS TAKING AUTHORIZED LEAVE BETWEEN CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(1) of title 37, United States Code, is amended by striking '', or his designee, or to a place no farther distant than his home of record''.

SEC. 639. FUNDED STUDENT TRAVEL AS PART OF SCHOOL-SPONSORED EXCHANGE PROGRAMS.

(a) RECOGNITION OF TEMPORARY EXCHANGE PROGRAMS.—Section 430 of title 37, United States Code, is amended—

(1) in subsection (a)(3), by inserting before the comma at the end the following: ''or is attending a school outside the continental United States, if the dependent is attending the school outside the continental United States for less than one year under a program approved by the school in the continental United States at which the dependent is enrolled''; and

(2) in subsection (b)(1), by striking ''in the continental United States for the purpose of obtaining a formal education'' in the first sentence and inserting ''described in subsection (a)(3)''.

(b) LIMITATION ON AMOUNT OF ALLOWANCE.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

''(3) The transportation allowance under paragraph (1) for a dependent child who is attending a school outside the continental United States for less than one year under a program approved by the school in the continental United States at which the dependent is enrolled shall not exceed the allowance the member would be paid for a trip between the school in the continental United States and the member's duty station outside the continental United States and return.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

Subtitle D—Retirement and Survivor Benefit Matters

SEC. 641. CONTINGENT AUTHORITY FOR CONCURRENT RECEIPT OF MILITARY RETIRED PAY AND VETERANS' DISABILITY COMPENSATION.

(a) RESTORATION OF RETIRED PAY BENEFITS.—Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority

''(a) PAYMENT OF BOTH RETIRED PAY AND COMPENSATION.—Subject to subsection (b), a member or former member of the uniformed

services who is entitled to retired pay (other than as specified in subsection (c)) and who is also entitled to veterans' disability compensation is entitled to be paid both without regard to sections 5304 and 5305 of title 38, subject to the enactment of qualifying offsetting legislation as specified in subsection (f).

''(b) SPECIAL RULE FOR CHAPTER 61 CAREER RETIREES.—The retired pay of a member retired under chapter 61 of this title with 20 years or more of service otherwise creditable under section 1405 of this title at the time of the member's retirement is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that 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) EXCEPTION.—Subsection (a) does not apply to a member retired under chapter 61 of this title with less than 20 years of service otherwise creditable under section 1405 of this title at the time of the member's retirement.

''(d) DEFINITIONS.—In this section:

''(1) The term 'retired pay' includes retainer pay, emergency officers' retirement pay, and naval pension.

''(2) The term 'veterans' disability compensation' has the meaning given the term 'compensation' in section 101(12) of title 38.

''(e) EFFECTIVE DATE.—If qualifying offsetting legislation (as defined in subsection (f)) is enacted, the provisions of subsection (a) shall take effect on—

''(1) the first day of the first month beginning after the date of the enactment of such qualifying offsetting legislation; or

''(2) the first day of the fiscal year that begins in the calendar year in which such legislation is enacted, if that date is later than the date specified in paragraph (1).

''(f) EFFECTIVENESS CONTINGENT ON ENACTMENT OF OFFSETTING LEGISLATION.—(1) The provisions of subsection (a) shall be effective only if—

''(A) the President, in the budget for any fiscal year, proposes the enactment of legislation that, if enacted, would be qualifying offsetting legislation; and

''(B) after that budget is submitted to Congress, there is enacted qualifying offsetting legislation.

''(2) For purposes of this subsection:

''(A) The term 'qualifying offsetting legislation' means legislation (other than an appropriations Act) that includes provisions that—

''(i) offset fully the increased outlays to be made by reason of the provisions of subsection (a) for each of the first 10 fiscal years beginning after the date of the enactment of such legislation;

''(ii) expressly state that they are enacted for the purpose of the offset described in clause (i); and

''(iii) are included in full on the PayGo scorecard.

''(B) The term 'PayGo scorecard' means the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the ten fiscal years following the date of the enactment of the legislation that is qualifying offsetting legislation for purposes of this section.''.

(b) CONFORMING TERMINATION OF SPECIAL COMPENSATION PROGRAM.—Section 1413(a) of such title is amended by adding at the end the following new sentence: ''If the provisions of subsection (a) of section 1414 of this title become effective in accordance with subsection (f) of that section, payments under this section shall be terminated effective as of the month beginning on the effective date specified in subsection (e) of that section.''.

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

''1414. Members eligible for retired pay who have service-connected disabilities: payment of retired pay and veterans' disability compensation; contingent authority.''.

(d) PROHIBITION OF RETROACTIVE BENEFITS.—If the provisions of subsection (a) of section 1414 of title 10, United States Code, becomes effective in accordance with subsection (f) of that section, no benefit may be paid to any person by reason of those provisions for any period before the effective date specified in subsection (e) of that section.

Subtitle E—Other Matters

SEC. 651. FUNERAL HONORS DUTY ALLOWANCE FOR RETIRED MEMBERS.

(a) ALLOWANCE AUTHORIZED.—Subsection (a) of section 435 of title 37, United States Code, is amended—

(1) by inserting ''(1)'' before ''The Secretary''; and

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

''(2) The Secretary concerned may also authorize payment of an allowance under this section to a retired member of the armed forces who performs at least two hours of duty preparing for or performing honors at the funeral of a veteran.''.

(b) RELATION TO OTHER COMPENSATION.—Such section is further amended by adding at the end the following new subsection:

''(c) CONCURRENT PAYMENT.—Notwithstanding any other provision of law, the allowance paid to a retired member of the armed forces under this section shall be in addition to any other compensation to which the retired member may be entitled under this title or titles 10 or 38.''.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—TRICARE Program

SEC. 701. IMPLEMENTING COST-EFFECTIVE PAYMENT RATES UNDER THE TRICARE PROGRAM.

Not later than January 1, 2002, the Secretary of Defense shall, with respect to categories of health care providers or services for which the Secretary has not already done so and to the extent that the Secretary determines is practicable—

(1) implement the payment rates used under medicare, or similar rates based on medicare payment methods, to pay for health care services provided by institutional and noninstitutional providers under the TRICARE program; and

(2) as a condition of participation in the TRICARE program, prohibit balance billing of covered beneficiaries by institutional providers and limit balance billing by noninstitutional providers (subject to any exceptions the Secretary determines appropriate) consistent with the limiting charge percentage under medicare.

SEC. 702. WAIVER OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION REQUIREMENT.

(a) IN GENERAL.—Section 721 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–184) is amended—

(1) in the matter preceding paragraph (1) in subsection (a), by striking ''new'';

(2) by striking subsection (c) and inserting the following:

''(c) EXCEPTIONS.—(1) Subject to paragraph (2), the Secretary may provide that subsection (a) shall not apply for a period of up to one year if—

''(A) the Secretary—

''(i) demonstrates significant costs would be avoided by performing specific procedures at the affected military medical treatment facility or facilities;

''(ii) determines that a specific procedure must be provided at the affected military medical treatment facility or facilities to ensure the proficiency levels of the practitioners at the facility or facilities; or

''(iii) determines that the lack of nonavailability statement data would significantly interfere with TRICARE contract administration;

''(B) the Secretary provides notification of the Secretary's intent to make an exception under this subsection to covered beneficiaries who receive care at the military medical treatment facility or facilities that will be affected by the decision to make an exception under this subsection;

''(C) the Secretary provides notification to the Committees on Armed Services of the House of Representatives and the Senate of the Secretary's intent to make an exception under this subsection, the reason for making an exception, and the date that a nonavailability statement will be required; and

''(D) 60 days have elapsed since the date of the notification described in subparagraph (C).

''(2)(A) Except as provided in subparagraph (B), the Secretary may make an exception under this subsection with respect to—

''(i) one or more services performed at a military medical treatment facility or facilities; or

''(ii) one or more services performed in a TRICARE region.

''(B) With respect to maternity care, the Secretary may make an exception under this subsection with respect to a military medical treatment facility.

''(3) In the case of health care provided in conjunction with a graduate medical education program, the period of nonapplicability described in paragraph (1) shall be, instead of one year, the period for which a residency review committee has approved the program.''; and

(3) in subsection (d), by striking ''October 1, 2001'' and inserting ''two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2002''.

(b) REPORT.—Not later than March 1, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the House of Representatives and the Senate a report on the Secretary's plans for implementing such section.

SEC. 703. IMPROVEMENTS IN ADMINISTRATION OF THE TRICARE PROGRAM.

(a) EXPANSION OF TRICARE PROGRAM.—Section 1072(7) of title 10, United States Code, is amended by striking ''the competitive selection of contractors to financially underwrite''.

(b) REDUCTION OF CONTRACT START-UP TIME.—Section 1095c(b) of such title is amended—

(1) in paragraph (1)—

(A) by striking ''The'' and inserting ''Except as provided in paragraph (3), the''; and

(B) by striking ''contract.'' and all that follows through ''as soon as practicable after the award of the''; and

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

''(3) The Secretary may reduce the nine-month start-up period required under paragraph (1) if—

''(A) the Secretary—

''(i) determines that a shorter period is sufficient to ensure effective implementation of all contract requirements; and

''(ii) submits notification to the Committees on Armed Services of the House of Representatives and the Senate of the Secretary's intent to reduce the nine-month start-up period; and

''(B) 60 days have elapsed since the date of such notification.''.

SEC. 704. SUB-ACUTE AND LONG-TERM CARE PROGRAM REFORM.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074i the following new section:

''§ 1074j. Sub-acute care program

''(a) ESTABLISHMENT.—The Secretary of Defense shall establish an effective, efficient, and integrated sub-acute care benefits program under this chapter (hereinafter referred to in this section as the 'program'). Except as otherwise provided in this section, the types of health care authorized under the program shall be the same as those provided under section 1079 of this title. The Secretary, after consultation with the other administering Secretaries, shall promulgate regulations to carry out this section.

''(b) BENEFITS.—(1) The program shall include a uniform skilled nursing facility benefit that shall be provided in the manner and under the conditions described in section 1861(h) and (i) of the Social Security Act (42 U.S.C. 1395x(h) and (i)), except that the limitation on the number of days of coverage under section 1812(a) and (b) of such Act (42 U.S.C. 1395d(a) and (b)) shall not be applicable under the program. Skilled nursing facility care for each spell of illness shall continue to be provided for as long as medically necessary and appropriate.

''(2) In this subsection:

''(A) The term 'skilled nursing facility' has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a)).

''(B) The term 'spell of illness' has the meaning given such term in section 1861(a) of such Act (42 U.S.C. 1395x(a)).

''(3) The program shall include a comprehensive, intermittent home health care benefit that shall be provided in the manner and under the conditions described in section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)).''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074i the following new item:

''1074j. Sub-acute care program.''.

(b) EXTENDED BENEFITS FOR CERTAIN DEPENDENTS.—Section 1079 of such title is amended by striking subsections (d), (e), and (f) and inserting the following new subsections:

''(d)(1) The Secretary of Defense shall establish a program to provide extended benefits for eligible dependents, which may include the provision of comprehensive health care services, including case management services, to assist in the reduction of the disabling effects of a qualifying condition of an eligible dependent. Registration shall be required to receive the extended benefits.

''(2) The Secretary of Defense, after consultation with the other administering Secretaries, shall promulgate regulations to carry out this subsection.

''(3) In this subsection:

''(A) The term 'eligible dependent' means a dependent of a member of the uniformed services on active duty for a period of more than 30 days, as described in subparagraph (A), (D), or (I) of section 1072(2) of this title, who has a qualifying condition.

''(B) The term 'qualifying condition' means the condition of a dependent who is moderately or severely mentally retarded, has a serious physical disability, or has an extraordinary physical or psychological condition.

''(e) Extended benefits for eligible dependents under subsection (d) may include comprehensive health care services with respect to the qualifying condition of such a dependent, and include, to the extent such benefits are not provided under provisions of this chapter other than under this section, the following:

''(1) Diagnosis.

''(2) Inpatient, outpatient, and comprehensive home health care supplies and services.

''(3) Training, rehabilitation, and special education.

''(4) Institutional care in private nonprofit, public, and State institutions and facilities and, if appropriate, transportation to and from such institutions and facilities.

''(5) Custodial care, notwithstanding the prohibition in section 1077(b)(1) of this title.

''(6) Respite care for the primary caregiver of the eligible dependent.

''(7) Such other services and supplies as determined appropriate by the Secretary, notwithstanding the limitations in subsection (a)(13).

''(f) Members shall be required to share in the cost of any benefits provided to their dependents under subsection (d) as follows:

''(1) Members in the lowest enlisted pay grade shall be required to pay the first $25 incurred each month, and members in the highest commissioned pay grade shall be required to pay the first $250 incurred each month. The amounts to be paid by members in all other pay grades shall be determined under regulations to be prescribed by the Secretary of Defense in consultation with the administering Secretaries.

''(2) A member who has more than one dependent incurring expenses in a given month under a plan covered by subsection (d) shall not be required to pay an amount greater than would be required if the member had only one such dependent.''.

(c) DEFINITIONS OF CUSTODIAL CARE AND DOMICILIARY CARE.—Section 1072 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

''(8) The term 'custodial care' means treatment or services, regardless of who recommends such treatment or services or where such treatment or services are provided, that—

''(A) can be rendered safely and reasonably by a person who is not medically skilled; or

''(B) is or are designed mainly to help the patient with the activities of daily living.

''(9) The term 'domiciliary care' means care provided to a patient in an institution or homelike environment because—

''(A) providing support for the activities of daily living in the home is not available or is unsuitable; or

''(B) members of the patient's family are unwilling to provide the care.''.

(d) CONFORMING AMENDMENT.—Section 1079 of title 10, United States Code, is amended in subsection (a) by striking paragraph (17).

(e) CONTINUATION OF INDIVIDUAL CASE MANAGEMENT SERVICES FOR CERTAIN ELIGIBLE BENEFICIARIES.—(1) Notwithstanding the termination of the Individual Case Management Program by subsection (d), the Secretary of Defense shall, in any case in which the Secretary makes the determination described in paragraph (2), continue to provide payment as if such program were in effect for home health care or custodial care services provided to an eligible beneficiary that would otherwise be excluded from coverage under regulations implementing chapter 55 of title 10, United States Code.

(2) The determination referred to in paragraph (1) is a determination that discontinuation of payment for services not otherwise provided under such chapter would result in the provision of services inadequate to meet the needs of the eligible beneficiary and would be unjust to such beneficiary.

(3) For purposes of this subsection, ''eligible beneficiary'' means a covered beneficiary (as that term is defined in section 1072 of title 10, United States Code) who, before the effective date of this section, was provided custodial care services under the Individual Case Management Program for which the Secretary provided payment.

(f) REPORT ON INITIATIVES REGARDING LONG-TERM CARE.—The Secretary of Defense shall, not later than April 1, 2002, submit to Congress a report on the feasibility and desirability of establishing new initiatives, taking into account chapter 90 of title 5, United States Code, to improve the availability of long-term care for members and retired members of the uniformed services and their families.

(g) REFERENCE IN TITLE 10 TO LONG-TERM CARE PROGRAM IN TITLE 5.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074j (as added by subsection (a)) the following new section:

''§ 1074k. Long-term care insurance

''Provisions regarding long-term care insurance for members and certain former members of the uniformed services and their families are set forth in chapter 90 of title 5.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074j (as added by subsection (a)) the following new item:

''1074k. Long-term care insurance.''.

(h) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on October 1, 2001.

SEC. 705. REIMBURSEMENT OF TRAVEL EXPENSES OF A PARENT, GUARDIAN, OR RESPONSIBLE FAMILY MEMBER OF A MINOR COVERED BENEFICIARY.

Section 1074i of title 10, United States Code, is amended by adding at the end the following new sentence: ''In any case in which reimbursement of travel expenses of a covered beneficiary who is a minor and dependent is required under this section, the Secretary also shall provide reimbursement for reasonable travel expenses of the parent or guardian of, or the family member responsible for, such covered beneficiary.''.

Subtitle B—Other Matters

SEC. 711. PROHIBITION AGAINST REQUIRING MILITARY RETIREES TO RECEIVE HEALTH CARE SOLELY THROUGH THE DEPARTMENT OF DEFENSE.

No provision of law (whether enacted before or after this Act) may be construed as authorizing the Secretary of Defense to take any action that would require, or have the effect of requiring, a member or former member of the Armed Forces who is entitled to retired or retainer pay to enroll to receive health care from the Federal Government only through the Department of Defense. This section may not be superseded by a subsequent Act unless that Act—

(1) specifically refers to this section; and

(2) specifically states that such provision of law supersedes the provisions of this section.

SEC. 712. TRAUMA AND MEDICAL CARE PILOT PROGRAM.

(a) REQUIREMENT TO CONDUCT PILOT PROGRAM.—The Secretary of Defense shall conduct a pilot program under which the Brooke Army Medical Center and the Wilford Hall Air Force Medical Center in San Antonio, Texas, may charge civilians who are not covered beneficiaries under chapter 55 of title 10, United States Code, fees representing the actual costs of trauma and other medical care

provided to such civilians using private sector itemized rates.

(b) USE OF FEES COLLECTED.—(1) The Brooke Army Medical Center and the Wilford Hall Air Force Medical Center may use the amounts collected under the pilot program for—

(A) trauma consortium activities;

(B) administrative, operating, and equipment costs; and

(C) readiness training.

(2) The operating budgets of those medical centers shall not be reduced as a result of fees collected under the pilot program.

(c) EFFICIENT PRACTICES.—Under the pilot program, the commander of the Brooke Army Medical Center or Wilford Hall Air Force Medical Center may authorize the use of funds appropriated to the Department of Defense for medical care for trauma and other medical care provided at such center to civilians described in subsection (a).

(d) LENGTH OF PILOT PROGRAM.—The pilot program under this section shall commence on October 1, 2001, and be conducted for a period of three years.

(e) REPORTS.—The Secretary of Defense shall submit to Congress not later than October 1st of each of 2002 through 2004 a report describing the progress and effectiveness of the pilot program carried out under this section.

SEC. 713. ENHANCEMENT OF MEDICAL PRODUCT DEVELOPMENT.

Section 980 of title 10, United States Code, is amended—

(1) by inserting ''(a)'' before ''Funds''; and

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

''(b) The Secretary of Defense may waive the prohibition in this section with respect to a specific research project to advance the development of a medical product necessary to the armed forces if the research project is carried out in accordance with all other applicable laws.''.

SEC. 714. REPEAL OF OBSOLETE REPORT REQUIREMENT.

Section 701 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 10 U.S.C. 1074g note) is amended by striking subsection (d).

SEC. 715. CLARIFICATIONS AND IMPROVEMENTS REGARDING THE DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND.

(a) CLARIFICATION REGARDING COVERAGE.—Subsection (b) of section 1111 of title 10, United States Code, is amended to read as follows:

''(b) In this chapter:

''(1) The term 'Department of Defense retiree health care programs' means the provisions of this title or any other provision of law creating an entitlement to or eligibility for health care under a Department of Defense or uniformed service program for a member or former member of a participating uniformed service who is entitled to retired or retainer pay, and an eligible dependent under such program.

''(2) The term 'eligible dependent' means a dependent (as such term is defined in section 1072(2) of this title) described in section 1076(a)(2) (other than a dependent of a member on active duty), 1076(b), 1086(c)(2), or 1086(c)(3).

''(3) The term 'medicare-eligible', with respect to any person, means entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

''(4) The term 'participating uniformed service' means the Army, Navy, Air Force, and Marine Corps, and any other uniformed service that is covered by an agreement entered into under subsection (c).''.

(b) PARTICIPATION OF OTHER UNIFORMED SERVICES.—(1) Section 1111 of such title is further amended by adding at the end the following new subsection:

''(c) The Secretary of Defense may enter into an agreement with any other administering Secretary (as defined in section 1072(3)) for participation in the Fund by a uniformed service under the jurisdiction of that Secretary. Any such agreement shall require that Secretary to make contributions to the Fund on behalf of the members of the uniformed service under the jurisdiction of that Secretary comparable to the contributions to the Fund made by the Secretary of Defense under section 1116, and such administering Secretary may make such contributions.''.

(2) Section 1112 of such title is amended by adding at the end the following new paragraph:

''(4) Amounts paid into the Fund pursuant to section 1111(c).''.

(3) Section 1115 of such title is amended—

(A) in subsection (a), by inserting ''participating'' before ''uniformed services'';

(B) in subparagraphs (A)(ii) and (B)(ii) of subsection (b)(1), by inserting ''under the jurisdiction of the Secretary of Defense'' after ''uniformed services'';

(C) in subsection (b)(2), by inserting ''(or to the other executive department having jurisdiction over the participating uniformed service)'' after ''Department of Defense''; and

(D) in subparagraphs (A) and (B) of subsection (c)(1), by inserting ''participating'' before ''uniformed services''.

(4) Section 1116(a) of such title is amended in paragraphs (1)(B) and (2)(B) by inserting ''under the jurisdiction of the Secretary of Defense'' after ''uniformed services''.

(c) CLARIFICATION OF PAYMENTS FROM THE FUND.—(1) Subsection (a) of section 1113 of such title is amended to read as follows:

''(a) There shall be paid from the Fund amounts payable for the costs of all Department of Defense retiree health care programs for the benefit of members or former members of a participating uniformed service who are entitled to retired or retainer pay and are medicare eligible, and eligible dependents described in section 1111(b)(3) who are medicare eligible.''.

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

''(c)(1) In carrying out subsection (a), the Secretary of Defense may transfer periodically from the Fund to applicable appropriations of the Department of Defense, or to applicable appropriations of other departments or agencies, such amounts as the Secretary determines necessary to cover the costs chargeable to those appropriations for Department of Defense retiree health care programs for beneficiaries under those programs who are medicare-eligible. Such transfers may include amounts necessary for the administration of such programs. Amounts so transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation to which transferred. Upon a determination that all or part of the funds transferred from the Fund are not necessary for the purposes for which transferred, such amounts may be transferred back to the Fund. This transfer authority is in addition to any other transfer authority that may be available to the Secretary.

''(2) A transfer from the Fund under paragraph (1) may not be made to an appropriation after the end of the second fiscal year after the fiscal year that the appropriation is available for obligation. A transfer back to the Fund under paragraph (1) may not be made after the end of the second fiscal year after the fiscal year that the appropriation to which the funds were originally transferred is available for obligation.

''(d) The Secretary of Defense shall by regulation establish the method or methods for calculating amounts to be transferred under subsection (c). Such method or methods may be based (in whole or in part) on a proportionate share of the volume (measured as the Secretary determines appropriate) of health care services provided or paid for under Department of Defense retiree health care programs for beneficiaries under those programs who are medicare-eligible in relation to the total volume of health care services provided or paid for under Department of Defense health care programs.

''(e) The regulations issued by the Secretary under subsection (d) shall be provided to the Comptroller General not less than 60 days before such regulations become effective. The Comptroller General shall, not later than 30 days after receiving such regulations, report to the Secretary of Defense and Congress on the adequacy and appropriateness of the regulations.

''(f) If the Secretary of Defense enters into an agreement with another administering Secretary pursuant to section 1111(c), the Secretary of Defense may take actions comparable to those described in subsections (c), (d), and (e) to effect comparable activities in relation to the beneficiaries and programs of the other participating uniformed service.''.

(d) SOURCE OF FUNDS FOR MONTHLY ACCRUAL PAYMENTS INTO THE FUND.—Section 1116 of such title is further amended—

(1) in subsection (a)(2)(B) (as amended by subsection (b)(7)), by striking the sentence beginning ''Amounts paid into''; and

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

''(c) Amounts paid into the Fund under subsection (a) shall be paid from funds available for the health care programs of the participating uniformed services under the jurisdiction of the respective administering Secretaries.''.

(e) LIMITATION ON TOTAL AMOUNT CONTRIBUTED DURING A FISCAL YEAR.—Section 1116 of such title is further amended by adding at the end the following new subsection:

''(d) In no case may the total amount of monthly contributions to the Fund during a fiscal year under subsection (a) exceed the amount paid from the Fund during such fiscal year under section 1113.''.

(f) TECHNICAL AMENDMENTS.—(1) The heading for section 1111 of such title is amended to read as follows:

''§ 1111. Establishment and purpose of Fund; definitions; authority to enter into agreements''.

(2) The item relating to section 1111 in the table of sections at the beginning of chapter 56 of such title is amended to read as follows:

''1111. Establishment and purpose of Fund; definitions; authority to enter into agreements.''.

(3) Section 1115(c)(1)(B) of such title is amended by inserting an open parenthesis before ''other than for training)''.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of chapter 56 of title 10, United States Code, by section 713(a)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398; 114 Stat. 1654A–179).

(h) FIRST YEAR CONTRIBUTIONS.—With respect to contributions under section 1116(a) of title 10, United States Code, for the first year that the Department of Defense Medicare-Eligible Retiree Health Care Fund is established under chapter 56 of such title, if the Board of Actuaries is unable to execute its responsibilities with respect to such section, the Secretary of Defense may make contributions under such section using methods and assumptions developed by the Secretary.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Policy and Management

SEC. 801. ACQUISITION MILESTONES.

(a) TITLE 10, U.S.C.—Title 10, United States Code, is amended—

(1) in section 2366(c), subsections (b)(3)(A), (c)(3)(A), and (h)(1) of section 2432, and section 2434(a), by striking ''engineering and manufacturing development'' each place such words appear and inserting ''system development and demonstration'';

(2) in section 2400—

(A) in subsection (a)(2), by striking ''engineering and manufacturing development'' and inserting ''system development and demonstration''; and

(B) in subsections (a)(1)(A), (a)(2), (a)(4) and (a)(5), by striking ''milestone II'' each place such term appears and inserting ''milestone B''; and

(3) in section 2435—

(A) in subsection (b), by striking ''engineering and manufacturing development'' and inserting ''system development and demonstration'';

(B) in subsection (c)(1), by striking ''demonstration and validation'' and inserting ''system development and demonstration'';

(C) in subsection (c)(2), by striking ''engineering and manufacturing development'' and inserting ''production and deployment''; and

(D) in subsection (c)(3), by striking ''production and deployment'' and inserting ''full rate production''.

(b) OTHER LAWS.—(1) Section 811(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–211) is amended—

(A) by striking ''Milestone I'' and inserting ''Milestone B'';

(B) by striking ''Milestone II'' and inserting ''Milestone C''; and

(C) by striking ''Milestone III'' and inserting ''full rate production''.

(2) Section 8102(b) of the Department of Defense Appropriations Act, 2001 (Public Law 106–259; 114 Stat. 696) is amended—

(A) by striking ''Milestone I'' and inserting ''Milestone B'';

(B) by striking ''Milestone II'' and inserting ''Milestone C''; and

(C) by striking ''Milestone III'' and inserting ''full rate production''.

SEC. 802. ACQUISITION WORKFORCE QUALIFICATIONS.

(a) QUALIFICATIONS.—Section 1724 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

''(a) CONTRACTING OFFICERS.—The Secretary of Defense shall require that, in order to qualify to serve in an acquisition position as a contracting officer with authority to award or administer contracts for amounts above the simplified acquisition threshold referred to in section 2304(g) of this title, an employee of the Department of Defense or member of the armed forces (other than the Coast Guard) must, except as provided in subsections (c) and (d)—'';

(B) in paragraph (1)—

(i) by striking ''mandatory''; and

(ii) by striking ''at the grade level'' and all that follows and inserting ''(A) in the case of an employee, serving in the position within the grade of the General Schedule in which the employee is serving, and (B) in the case of a member of the armed forces, in the member's grade;''; and

(C) in paragraph (3)(A), by inserting a comma after ''business'';

(2) by striking subsection (b) and inserting the following new subsection:

''(b) GS–1102 SERIES POSITIONS AND SIMILAR MILITARY POSITIONS.—(1) The Secretary of Defense shall require that in order to qualify to serve in a position in the Department of Defense that is in the GS–1102 occupational series an employee or potential employee of the Department of Defense meet the requirements set forth in paragraph (3) of subsection (a). The Secretary may not require that in order to serve in such a position an employee or potential employee meet any of the requirements of paragraphs (1) and (2) of that subsection.

''(2) The Secretary of Defense shall require that in order for a member of the armed forces to be selected for an occupational specialty within the armed forces that (as determined by the Secretary) is similar to the GS–1102 occupational series a member of the armed forces meet the requirements set forth in paragraph (3) of subsection (a). The Secretary may not require that in order to be selected for such an occupational specialty a member meet any of the requirements of paragraphs (1) and (2) of that subsection.''; and

(3) by striking subsections (c) and (d) inserting the following new subsections:

''(c) EXCEPTIONS.—The qualification requirements imposed by the Secretary of Defense pursuant to subsections (a) and (b) shall not apply to an employee of the Department of Defense or member of the armed forces who—

''(1) served as a contracting officer with authority to award or administer contracts in excess of the simplified acquisition threshold on or before September 30, 2000;

''(2) served, on or before September 30, 2000, in a position either as an employee in the GS–1102 series or as a member of the armed forces in similar occupational specialty;

''(3) is in the contingency contracting force; or

''(4) is described in subsection (e)(1)(B).

''(d) WAIVER.—The acquisition career program board concerned may waive any or all of the requirements of subsections (a) and (b) with respect to an employee of the Department of Defense or member of the armed forces if the board certifies that the individual possesses significant potential for advancement to levels of greater responsibility and authority, based on demonstrated job performance and qualifying experience. With respect to each waiver granted under this subsection, the board shall set forth in a written document the rationale for its decision to waive such requirements. Such document shall be submitted to and retained by the Director of Acquisition Education, Training, and Career Development.

''(e) DEVELOPMENTAL OPPORTUNITIES.—(1) The Secretary of Defense may—

''(A) establish or continue one or more programs for the purpose of recruiting, selecting, appointing, educating, qualifying, and developing the careers of individuals to meet the requirements in subparagraphs (A) and (B) of subsection (a)(3);

''(B) appoint individuals to developmental positions in those programs; and

''(C) separate from the civil service after a three-year probationary period any individual appointed under this subsection who, as determined by the Secretary, fails to complete satisfactorily any program described in subparagraph (A).

''(2) To qualify for any developmental program described in paragraph (1)(A), an individual shall have—

''(A) been awarded a baccalaureate degree from an accredited institution of higher education authorized to grant baccalaureate degrees; or

''(B) completed at least 24 semester credit hours or the equivalent of study from an accredited institution of higher education in any of the disciplines of accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management.

''(f) CONTINGENCY CONTRACTING FORCE.—The Secretary shall establish qualification requirements for the contingency contracting force consisting of members of the armed forces whose mission is to deploy in support of contingency operations and other operations of the Department of Defense, including—

''(1) completion of at least 24 semester credit hours or the equivalent of study from an accredited institution of higher education or similar educational institution in any of the disciplines of accounting, business, finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, or organization and management; or

''(2) passage of an examination that demonstrates skills, knowledge, or abilities comparable to that of an individual who has completed at least 24 semester credit hours or the equivalent of study in any of the disciplines described in paragraph (1).''.

(b) CLERICAL AMENDMENT.—Section 1732(c)(2) of such title is amended by inserting a comma after ''business''.

SEC. 803. TWO-YEAR EXTENSION OF PROGRAM APPLYING SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS.

Section 4202(e) of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106; 110 Stat. 654; 10 U.S.C. 2304 note) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2004''.

SEC. 804. CONTRACTS FOR SERVICES TO BE PERFORMED OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2381 the following new section:

''§ 2382. Contracts for services to be performed outside the United States

''The Secretary of Defense may enter into contracts to employ individuals or organizations to perform services in countries other than the United States without regard to laws regarding the negotiation, making, and performance of contracts and performance of work in the United States. Individuals employed by contract to perform such services shall not by virtue of such employment be considered to be employees of the United States Government for purposes of any law administered by the Office of Personnel Management, but the Secretary may determine the applicability to such individuals of any other law administered by the Secretary concerning the employment of such individuals in countries other than 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 2381 the following new item:

''2382. Contracts for services to be performed outside the United States.''.

SEC. 805. CODIFICATION AND MODIFICATION OF ''BERRY AMENDMENT'' REQUIREMENTS.

(a) BERRY AMENDMENT REQUIREMENTS.—(1) Chapter 148 of title 10, United States Code, is amended by inserting after section 2533 the following new section:

''§ 2533a. Requirement to buy certain articles from American sources; exceptions

''(a) REQUIREMENT.—Except as provided in subsections (c) through (g), funds appropriated or otherwise available to the Department of Defense may not be used for the procurement of an item described in subsection

(b) if the item is not grown, reprocessed, reused, or produced in the United States.

''(b) COVERED ITEMS.—An item referred to in subsection (a) is any of the following:

''(1) An article or item of—

''(A) food;

''(B) clothing;

''(C) tents, tarpaulins, parachutes, or covers;

''(D) cotton and other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric (including all textile fibers and yarns that are for use in such fabrics), canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles); or

''(E) any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials.

''(2) Specialty metals, including stainless steel flatware.

''(3) Hand or measuring tools.

''(c) EXCEPTION.—The Secretary of Defense or the Secretary of the military department concerned may waive the requirement in subsection (a) if—

''(1) such Secretary determines that satisfactory quality and sufficient quantity of any such article or item described in subsection (b)(1) or specialty metals (including stainless steel flatware) grown, reprocessed, reused, or produced in the United States cannot be procured as and when needed at United States market prices;

''(2) such Secretary has provided notice to the public regarding the waiver;

''(3) such Secretary has notified the Committees on Appropriations, Armed Services, and Small Business of the House of Representatives and the Senate regarding the waiver and provided a justification to such committees for the waiver; and

''(4) 30 days have elapsed since the date of the notification of such committees.

''(d) EXCEPTION FOR CERTAIN PROCUREMENTS OUTSIDE THE UNITED STATES.—Subsection (a) does not apply to the following:

''(1) Procurements outside the United States in support of combat operations.

''(2) Procurements by vessels in foreign waters.

''(3) Emergency procurements or procurements of perishable foods by an establishment located outside the United States for the personnel attached to such establishment.

''(e) EXCEPTION FOR SPECIALTY METALS AND CHEMICAL WARFARE PROTECTIVE CLOTHING.—Subsection (a) does not preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States if—

''(1) such procurement is necessary—

''(A) to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements; or

''(B) in furtherance of agreements with foreign governments in which both such governments agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country; and

''(2) any such agreement with a foreign government complies, where applicable, with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and with section 2457 of this title.

''(f) EXCEPTION FOR CERTAIN FOODS.—Subsection (a) does not preclude the procurement of foods manufactured or processed in the United States.

''(g) EXCEPTION FOR SMALL PURCHASES.—Subsection (a) does not apply to purchases for amounts not greater than the simplified acquisition threshold referred to in section 2304(g) of this title.

''(h) APPLICABILITY TO CONTRACTS AND SUBCONTRACTS FOR PROCUREMENT OF COMMERCIAL ITEMS.—This section is applicable to contracts and subcontracts for the procurement of commercial items notwithstanding section 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 430).

''(i) GEOGRAPHIC COVERAGE.—In this section, the term 'United States' includes the commonwealths, territories, and possessions of the United States.

''(j) EXCEPTION FOR COMMISSARIES, EXCHANGES, AND OTHER NONAPPROPRIATED FUND INSTRUMENTALITIES.—Subsection (a) does not apply to items purchased for resale purposes in commissaries, military exchanges, or nonappropriated fund instrumentalities operated by the military departments or the Department of Defense.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2533 the following new item:

''2533a. Requirement to buy certain articles from American sources; exceptions.''.

(b) REPEAL OF SOURCE PROVISIONS.—The following provisions of law are repealed:

(1) Section 9005 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 10 U.S.C. 2241 note).

(2) Section 8109 of the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104–208; 110 Stat. 3009–111; 10 U.S.C. 2241 note).

SEC. 806. INCREASE OF ASSISTANCE LIMITATION REGARDING PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

Section 2414(a)(1) of title 10, United States Code, is amended by striking ''$300,000'' and inserting ''$600,000''.

SEC. 807. STUDY OF CONTRACT CONSOLIDATIONS.

The Secretary of Defense, in consultation with the Comptroller General of the United States, shall develop a database to track contract consolidations which consolidate 2 or more contracts previously awarded by the Department of Defense to small business concerns. The database shall contain, at a minimum, the names and addresses of the businesses to which the contracts that were consolidated were previously awarded, the rationale for consolidating the contracts, and the monetary benefit projected to be realized by the contract consolidation. Not later than December 1st of each year, the Secretary of Defense shall submit a report regarding the information contained in such database to the Committees on Armed Services of the House of Representatives and the Senate, the Committee on Small Business of the House of Representatives, and the Committee on Small Business and Entrepreneurship of the Senate.

Subtitle B—Erroneous Payments Recovery

SEC. 811. SHORT TITLE.

This subtitle may be cited as the ''Erroneous Payments Recovery Act of 2001''.

SEC. 812. IDENTIFICATION OF ERRORS MADE BY EXECUTIVE AGENCIES IN PAYMENTS TO CONTRACTORS AND RECOVERY OF AMOUNTS ERRONEOUSLY PAID.

(a) PROGRAM REQUIRED.—The head of each executive agency that enters into contracts with a total value in excess of $500,000,000 in a fiscal year shall carry out a cost-effective program for identifying any errors made in paying the contractors and for recovering any amounts erroneously paid to the contractors.

(b) RECOVERY AUDITS AND ACTIVITIES.—A program of an executive agency under subsection (a) shall include recovery audits and recovery activities. The head of the executive agency shall determine, in accordance with guidance provided under subsection (c), the classes of contracts to which recovery audits and recovery activities are appropriately applied.

(c) OMB GUIDANCE.—The Director of the Office of Management and Budget shall issue guidance for the conduct of programs under subsection (a). The guidance shall include the following:

(1) Definitions of the terms ''recovery audit'' and ''recovery activity'' for the purposes of the programs.

(2) The classes of contracts to which recovery audits and recovery activities are appropriately applied under the programs.

(3) Protections for the confidentiality of—

(A) sensitive financial information that has not been released for use by the general public; and

(B) information that could be used to identify a person.

(4) Policies and procedures for ensuring that the implementation of the programs does not result in duplicative audits of contractor records.

(5) Policies regarding the types of contracts executive agencies may use for the procurement of recovery services, including guidance for use, in appropriate circumstances, of a contingency contract pursuant to which the head of an executive agency may pay a contractor an amount equal to a percentage of the total amount collected for the United States pursuant to that contract.

(6) Protections for a contractor's records and facilities through restrictions on the authority of a contractor under a contract for the procurement of recovery services for an executive agency—

(A) to require the production of any record or information by any person other than an officer, employee, or agent of the executive agency;

(B) to establish, or otherwise have, a physical presence on the property or premises of any private sector entity for the purposes of performing the contract; or

(C) to act as agents for the Government in the recovery of funds erroneously paid to contractors.

(7) Policies for the appropriate types of management improvement programs authorized by section 815 that executive agencies may carry out to address overpayment problems and the recovery of overpayments.

SEC. 813. DISPOSITION OF RECOVERED FUNDS.

(a) AVAILABILITY OF FUNDS FOR RECOVERY AUDITS AND ACTIVITIES PROGRAM.—Funds collected under a program carried out by an executive agency under section 812 shall be available to the executive agency, in such amounts as are provided in advance in appropriations Acts, for the following purposes:

(1) To reimburse the actual expenses incurred by the executive agency in the administration of the program.

(2) To pay contractors for services under the program in accordance with the guidance issued under section 812(c)(5).

(b) FUNDS NOT USED FOR PROGRAM.—Any amounts erroneously paid by an executive agency that are recovered under such a program of an executive agency and are not used to reimburse expenses or pay contractors under subsection (a)—

(1) shall be credited to the appropriations from which the erroneous payments were made that remain available for obligation as of the time such amounts were collected, shall be merged with other amounts in those appropriations, and shall be available for the purposes and period for which such appropriations are available; or

(2) if no such appropriation remains available for obligation at that time, shall be disposed of as provided in subsection (c).

(c) OTHER DISPOSITIONS.—Of the total amount collected under such a program of an executive agency that is to be disposed of under this subsection—

(1) up to 25 percent of such amount may be expended by the head of the executive agency for carrying out any management improvement program of the executive agency under section 815; and

(2) the remainder of that total amount, including any amount not expended under paragraph (1), shall be deposited in the Treasury as miscellaneous receipts.

(d) PRIORITY OF OTHER AUTHORIZED DISPOSITIONS.—Notwithstanding subsections (b) and (c), the authority under such subsections may not be exercised to use, credit, or deposit funds collected under such a program as provided in those subsections to the extent that any other provision of law requires or authorizes the crediting of such funds to a nonappropriated fund instrumentality, revolving fund, working-capital fund, trust fund, or other fund or account.

SEC. 814. SOURCES OF RECOVERY SERVICES.

(a) CONSIDERATION OF AVAILABLE RECOVERY RESOURCES.—(1) In carrying out a program under section 812, the head of an executive agency shall consider all resources available to that official to carry out the program.

(2) The resources considered by the head of an executive agency for carrying out the program shall include the resources available to the executive agency for such purpose from the following sources:

(A) The executive agency.

(B) Other departments and agencies of the United States.

(C) Private sector sources.

(b) COMPLIANCE WITH APPLICABLE LAW AND REGULATIONS.—Before entering into a contract with a private sector source for the performance of services under a program of the executive agency carried out under section 812, the head of an executive agency shall comply with—

(1) any otherwise applicable provisions of Office of Management and Budget Circular A–76; and

(2) any other applicable provision of law or regulation with respect to the selection between employees of the United States and private sector sources for the performance of services.

SEC. 815. MANAGEMENT IMPROVEMENT PROGRAMS.

In accordance with guidance provided by the Director of the Office of Management and Budget under section 812, the head of an executive agency required to carry out a program under section 812 may carry out a program for improving management processes within the executive agency—

(1) to address problems that contribute directly to the occurrence of errors in the paying of contractors of the executive agency; or

(2) to improve the recovery of overpayments due to the agency.

SEC. 816. REPORTS.

(a) REQUIREMENT FOR REPORTS.—Not later than 30 months after the date of the enactment of this Act, and annually for each of the first two years following the year of the first report, the Director of the Office of Management and Budget shall submit to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate, a report on the implementation of this subtitle.

(b) CONTENT.—Each report shall include—

(1) a general description and evaluation of the steps taken by the heads of executive agencies to carry out the programs under this subtitle, including any management improvement programs carried out under section 815;

(2) the costs incurred by executive agencies to carry out the programs under this subtitle; and

(3) the amounts recovered under the programs under this subtitle.

SEC. 817. RELATIONSHIP TO AUTHORITY OF INSPECTORS GENERAL.

Nothing in this subtitle shall be construed as impairing the authority of an Inspector General under the Inspector General Act of 1978 or any other provision of law.

SEC. 818. PRIVACY PROTECTIONS.

(a) PROHIBITION.—Any nongovernmental entity that, in the course of recovery auditing or recovery activity under this subtitle, obtains information that identifies an individual or with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, may not disclose the information for any purpose other than such recovery auditing or recovery activity and governmental oversight of such activity, unless disclosure for that other purpose is authorized by the individual to the executive agency that contracted for the performance of the recovery auditing or recovery activity.

(b) LIABILITY.—Any person that violates subsection (a) shall be liable for any damages (including nonpecuniary damages), costs, and attorneys fees incurred by the individual as a result of the violation.

SEC. 819. DEFINITION.

In this subtitle, the term ''executive agency'' has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. FURTHER REDUCTIONS IN DEFENSE ACQUISITION AND SUPPORT WORKFORCE

(a) REDUCTION OF DEFENSE ACQUISITION AND SUPPORT WORKFORCE.—The Secretary of Defense shall accomplish reductions in defense acquisition and support personnel positions during fiscal year 2002 so that the total number of such personnel as of October 1, 2002, is less than the total number of such personnel as of October 1, 2001, by at least 13,000.

(b) DEFENSE ACQUISITION WORKFORCE DEFINED.—For purposes of this section, the term ''defense acquisition and support personnel'' has the meaning given that term in section 931(d) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2106).

SEC. 902. SENSE OF CONGRESS ON ESTABLISHMENT OF AN OFFICE OF TRANSFORMATION IN THE DEPARTMENT OF DEFENSE.

(a) FINDINGS.—Congress finds the following:

(1) The Armed Forces should give careful consideration to implementating transformation to meet operational challenges and exploit opportunities resulting from changes in the threat environment and the emergence of new technologies.

(2) A 1999 Defense Science Board report on transformation concluded that there was no overall Department of Defense vision for transformation, no road map, no metrics to measure progress, and little sense of urgency.

(3) Historic case studies have shown that within the military, as well as commercial enterprises, successful transformation must be directed from the highest levels of an organization.

(b) SENSE OF CONGRESS ON ESTABLISHMENT OF OFFICE OF TRANSFORMATION.—It is the sense of Congress that the Secretary of Defense should consider the establishment of an Office of Transformation within the Office of the Secretary of Defense to advise the Secretary on—

(1) development of force transformation strategies to ensure that the military of the future is prepared to dissuade potential military competitors and, if that fails, to fight and win decisively across the spectrum of future conflict;

(2) ensuring a continuous and broadly focused transformation process;

(3) service and joint acquisition and experimentation efforts, funding for experimentation efforts, promising operational concepts and technologies, and other transformation activities, as appropriate; and

(4) development of service and joint operational concepts, transformation implementation strategies, and risk management strategies.

(c) SENSE OF CONGRESS ON FUNDING.—It is the sense of Congress that the Secretary of Defense should consider providing funding adequate for sponsoring selective prototyping efforts, wargames, and studies and analyses and for appropriate staffing, as recommended by the director of an Office of Transformation as described in subsection (b).

SEC. 903. REVISED JOINT REPORT ON ESTABLISHMENT OF NATIONAL COLLABORATIVE INFORMATION ANALYSIS CAPABILITY.

(a) REVISED REPORT.—At the same time as the submission of the budget for fiscal year 2003 under section 1105 of title 31, United States Code, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees and the congressional intelligence committees a revised report assessing alternatives for the establishment of a national collaborative information analysis capability.

(b) MATTERS INCLUDED.—The revised report shall cover the same matters required to be included in the DOD/CIA report, except that the alternative architectures assessed in the revised report shall be limited to architectures that include the participation of all Federal agencies involved in the collection of intelligence. The revised report shall also include a draft of legislation sufficient to carry out the preferred architecture identified in the revised report.

(c) OFFICIALS TO BE CONSULTED.—The revised report shall be prepared after consultation with all appropriate Federal officials, including the following:

(1) The Secretary of the Treasury.

(2) The Secretary of Commerce.

(3) The Secretary of State.

(4) The Attorney General.

(5) The Director of the Federal Bureau of Investigation.

(6) The Administrator of the Drug Enforcement Administration.

(7) The Director of the Defense Threat Reduction Agency.

(8) The Director of the Defense Information Systems Agency.

(d) DOD/CIA REPORT DEFINED.—In this section, the term ''DOD/CIA report'' means the joint report required by section 933 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–237).

SEC. 904. ELIMINATION OF TRIENNIAL REPORT BY CHAIRMAN OF THE JOINT CHIEFS OF STAFF ON ROLES AND MISSIONS OF THE ARMED FORCES.

(a) REPEAL OF REQUIREMENT FOR SEPARATE REPORT BY CHAIRMAN OF THE JOINT CHIEFS OF STAFF.—Section 153 of title 10, United States Code, is amended by striking subsection (b).

(b) ROLES AND MISSIONS CONSIDERED AS PART OF DEFENSE QUADRENNIAL REVIEW.—Subsection 118(e) of such title is amended—

(1) by inserting ''(1)'' before ''Upon the completion'';

(2) by designating the second and third sentences as paragraph (3); and

(3) by inserting after paragraph (1), as designated by paragraph (1) of this subsection, the following new paragraph:

''(2) As part of his assessment under paragraph (1), the Chairman shall provide his assessment of the assignment of functions (or roles and missions) to the armed forces and such recommendations for changes thereto as the Chairman considers necessary to achieve maximum efficiency of the armed forces. In preparing such assessment, the Chairman shall consider (among other matters) the following:

''(A) Unnecessary duplication of effort among the armed forces.

''(B) Changes in technology that can be applied effectively to warfare.''.

SEC. 905. REPEAL OF REQUIREMENT FOR SEMI-ANNUAL REPORTS THROUGH MARCH 2003 ON ACTIVITIES OF JOINT REQUIREMENTS OVERSIGHT COUNCIL.

Section 916 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–231) is repealed.

SEC. 906. CORRECTION OF REFERENCES TO AIR MOBILITY COMMAND.

(a) REFERENCES IN TITLE 10, UNITED STATES CODE.—Sections 2554(d) and 2555(a) of title 10, United States Code, are each amended by striking ''Military Airlift Command'' and inserting ''Air Mobility Command''.

(b) REPEAL OF OBSOLETE PROVISION.—Section 8074 of such title is amended by striking subsection (c).

(c) REFERENCES IN TITLE 37, UNITED STATES CODE.—Sections 430(c) and 432(b) of title 37, United States Code, are each amended by striking ''Military Airlift Command'' and inserting ''Air Mobility Command''.

SEC. 907. ORGANIZATIONAL ALIGNMENT CHANGE FOR DIRECTOR FOR EXPEDITIONARY WARFARE.

Section 5038(a) of title 10, United States Code, is amended by striking ''Office of the Deputy Chief of Naval Operations for Resources, Warfare Requirements, and Assessments'' and inserting ''office of the Deputy Chief of Naval Operations with responsibility for warfare requirements and programs''.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2002 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the Committee on Armed Services of the House of Representatives to accompany its report on the bill H.R. 2586 of the One Hundred Seventh Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. LIMITATION ON FUNDS FOR BOSNIA AND KOSOVO PEACEKEEPING OPERATIONS FOR FISCAL YEAR 2002.

(a) LIMITATION.—Of the amounts authorized to be appropriated by section 301(24) for the Overseas Contingency Operations Transfer Fund—

(1) no more than $1,315,600,000 may be obligated for incremental costs of the Armed Forces for Bosnia peacekeeping operations; and

(2) no more than $1,528,600,000 may be obligated for incremental costs of the Armed Forces for Kosovo peacekeeping operations.

(b) PRESIDENTIAL WAIVER.—The President may waive the limitation in subsection (a)(1), or the limitation in subsection (a)(2), after submitting to Congress the following:

(1) The President's written certification that the waiver is necessary in the national security interests of the United States.

(2) The President's written certification that exercising the waiver will not adversely affect the readiness of United States military forces.

(3) A report setting forth the following:

(A) The reasons that the waiver is necessary in the national security interests of the United States.

(B) The specific reasons that additional funding is required for the continued presence of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be, for fiscal year 2002.

(C) A discussion of the impact on the military readiness of United States Armed Forces of the continuing deployment of United States military forces participating in, or supporting, Bosnia peacekeeping operations, or Kosovo peacekeeping operations, as the case may be.

(4) A supplemental appropriations request for the Department of Defense for such amounts as are necessary for the additional fiscal year 2002 costs associated with United States military forces participating in, or supporting, Bosnia or Kosovo peacekeeping operations.

(c) PEACEKEEPING OPERATIONS DEFINED.—For the purposes of this section:

(1) The term ''Bosnia peacekeeping operations'' has the meaning given such term in section 1004(e) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2112).

(2) The term ''Kosovo peacekeeping operations''—

(A) means the operation designated as Operation Joint Guardian and any other operation involving the participation of any of the Armed Forces in peacekeeping or peace enforcement activities in and around Kosovo; and

(B) includes, with respect to Operation Joint Guardian or any such other operation, each activity that is directly related to the support of the operation.

SEC. 1004. INCREASE IN LIMITATIONS ON ADMINISTRATIVE AUTHORITY OF THE NAVY TO SETTLE ADMIRALTY CLAIMS.

(a) ADMIRALTY CLAIMS AGAINST THE UNITED STATES.—Section 7622 of title 10, United States Code, is amended—

(1) in subsections (a) and (b), by striking ''$1,000,000'' and inserting ''$15,000,000''; and

(2) in subsection (c), by striking ''$100,000'' and inserting ''$1,000,000''.

(b) ADMIRALTY CLAIMS BY THE UNITED STATES.—Section 7623 of such title is amended—

(1) in subsection (a)(2), by striking ''$1,000,000'' and inserting ''$15,000,000''; and

(2) in subsection (c), by striking ''$100,000'' and inserting ''$1,000,000''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any claim accruing on or after February 1, 2001.

Subtitle B—Naval Vessels

SEC. 1011. REVISION IN TYPES OF EXCESS NAVAL VESSELS FOR WHICH APPROVAL BY LAW IS REQUIRED FOR DISPOSAL TO FOREIGN NATIONS.

(a) REVISION IN VESSEL THRESHOLD.—Section 7307 of title 10, United States Code, is amended—

(1) in subsection (a), by striking ''A naval vessel'' and inserting ''Except as provided in subsection (b), a combatant naval vessel'';

(2) by redesignating subsection (b) as subsection (c);

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

''(b) TREATMENT OF VESSELS HELD BY FOREIGN NATIONS BY LOAN OR LEASE.—Subsection (a) shall not apply to the disposal to another nation of a vessel described in that subsection that, at the time of the disposal, is held by the nation to which the disposal is to be made pursuant to a loan or lease arrangement made under section 61 of the Arms Export Control Act (22 U.S.C. 2796) or any other provision of law.''; and

(4) by adding after subsection (c), as redesignated by paragraph (2), the following new subsection:

''(d) INAPPLICABILITY OF VESSEL DISPOSALS TO AGGREGATE ANNUAL VALUE LIMITATIONS.—The value of a vessel transferred to another country under an applicable provision of law as described in subsection (c) shall not be counted for the purposes of any aggregate limit on the value of articles transferred to other countries under that provision of law during any year (or other applicable period of time).''.

(b) TECHNICAL AMENDMENTS.—Subsection (a) of such section is further amended—

(1) by striking ''LARGER OR NEWER'' in the subsection heading and inserting ''CERTAIN COMBATANT; and

(2) by striking ''approved by law enacted after August 5, 1974'' and inserting ''specifically approved by law''.

Subtitle C—Counter-Drug Activities

SEC. 1021. EXTENSION OF REPORTING REQUIREMENT REGARDING DEPARTMENT OF DEFENSE EXPENDITURES TO SUPPORT FOREIGN COUNTER-DRUG ACTIVITIES.

Section 1022 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–255) is amended—

(1) by inserting ''and April 15, 2002,'' after ''January 1, 2001,''; and

(2) by striking ''fiscal year 2000'' and inserting ''the preceding fiscal year''.

SEC. 1022. AUTHORITY TO TRANSFER TRACKER AIRCRAFT CURRENTLY USED BY ARMED FORCES FOR COUNTER-DRUG PURPOSES.

(a) TRANSFER AUTHORITY.—The Secretary of Defense may transfer to the administrative jurisdiction and operational control of another Federal agency all Tracker aircraft in the inventory of the Department of Defense.

(b) EFFECT OF FAILURE TO TRANSFER.—If the transfer authority provided by subsection (a) is not exercised by the Secretary of Defense by September 30, 2002, any Tracker aircraft remaining in the inventory of the Department of Defense may not be used by the Armed Forces for counter-drug purposes after that date.

SEC. 1023. AUTHORITY TO TRANSFER TETHERED AEROSTAT RADAR SYSTEM CURRENTLY USED BY ARMED FORCES FOR COUNTER-DRUG PURPOSES.

(a) TRANSFER AUTHORITY.—The Secretary of Defense may transfer to the administrative jurisdiction and operational control of another Federal agency the Tethered Aerostat Radar System currently used by the Armed Forces in maritime, air, and land counter-drug detection and monitoring.

(b) EFFECT OF FAILURE TO TRANSFER.—If the transfer authority provided by subsection (a) is not exercised by the Secretary of Defense by September 30, 2002, the Tethered Aerostat Radar System may not be used by the Armed Forces for counter-drug purposes after that date.

SEC. 1024. ASSIGNMENT OF MEMBERS TO ASSIST IMMIGRATION AND NATURALIZATION SERVICE AND CUSTOMS SERVICE.

(a) ASSIGNMENT AUTHORITY OF SECRETARY OF DEFENSE.—Chapter 18 of title 10, United States Code, is amended by inserting after section 374 the following new section:

''§ 374a. Assignment of members to assist border patrol and control

''(a) ASSIGNMENT AUTHORIZED.—Upon submission of a request consistent with subsection (b), the Secretary of Defense may assign members of the Army, Navy, Air Force, and Marine Corps to assist—

''(1) the Immigration and Naturalization Service in preventing the entry of terrorists and drug traffickers into the United States; and

''(2) the United States 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 weapons of mass destruction, prohibited narcotics or drugs, or other terrorist or drug trafficking items.

''(b) REQUEST FOR ASSIGNMENT.—The assignment of members under subsection (a) may occur only if—

''(1) the assignment is at the request of the Attorney General, in the case of an assignment to the Immigration and Naturalization Service, or the Secretary of the Treasury, in the case of an assignment to the United States Customs Service; and

''(2) the request of the Attorney General or the Secretary of the Treasury (as the case may be) is accompanied by a certification by the President that the assignment of members pursuant to the request is necessary to respond to a threat to national security posed by the entry into the United States of terrorists or drug traffickers.

''(c) TRAINING PROGRAM REQUIRED.—The Attorney General or the Secretary of the Treasury (as the case may be), together with the Secretary of Defense, shall establish a training program to ensure that members receive general instruction regarding issues affecting law enforcement in the border areas in which the members may perform duties under an assignment under subsection (a). A member may not be deployed at a border location pursuant to an assignment under subsection (a) until the member has successfully completed the training program.

''(d) CONDITIONS OF USE.—(1) Whenever a member who is assigned under subsection (a) to assist the Immigration and Naturalization Service or the United States Customs Service is performing duties at a border location pursuant to the assignment, a civilian law enforcement officer from the agency concerned shall accompany the member.

''(2) Nothing in this section shall be construed to—

''(A) authorize a member assigned under subsection (a) to conduct a search, seizure, or other similar law enforcement activity or to make an arrest; and

''(B) supersede section 1385 of title 18 (popularly known as the 'Posse Comitatus Act').

''(e) ESTABLISHMENT OF ONGOING JOINT TASK FORCES.—(1) The Attorney General or the Secretary of the Treasury may establish ongoing joint task forces when accompanied by a certification by the President that the assignment of members pursuant to the request to establish a joint task force is necessary to respond to a threat to national security posed by the entry into the United States of terrorists or drug traffickers.

''(2) When established, any joint task force shall fully comply with the standards as set forth in this section.

''(f) NOTIFICATION REQUIREMENTS.—The Attorney General or the Secretary of the Treasury (as the case may be) shall notify the Governor of the State in which members are to be deployed pursuant to an assignment under subsection (a), and local governments in the deployment area, of the deployment of the members to assist the Immigration and Naturalization Service or the United States Customs Service (as the case may be) and the types of tasks to be performed by the members.

''(g) REIMBURSEMENT REQUIREMENT.—Section 377 of this title shall apply in the case of members assigned under subsection (a).

''(h) TERMINATION OF AUTHORITY.—No assignment may be made or continued under subsection (a) after September 30, 2004.''.

(b) COMMENCEMENT OF TRAINING PROGRAM.—The training program required by subsection (b) of section 374a of title 10, United States Code, shall be established as soon as practicable after the date of the enactment of this Act.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 374 the following new item:

''374a. Assignment of members to assist border patrol and control.''.

Subtitle D—Reports

SEC. 1031. REQUIREMENT THAT DEPARTMENT OF DEFENSE REPORTS TO CONGRESS BE ACCOMPANIED BY ELECTRONIC VERSION.

(a) IN GENERAL.—Chapter 23 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

''§ 480. Department of Defense reports: submission in electronic form

''(a) REQUIREMENT.—Whenever the Secretary of Defense or any other official of the Department of Defense is required by law to submit a report to Congress (or any committee of either House of Congress), the Secretary or other official shall provide to Congress (or each such committee) a copy of the report in an electronic medium.

''(b) EXCEPTION.—Subsection (a) does not apply to a report submitted in classified form.

''(c) DEFINITION.—In this section, the term 'report' includes any certification, notification, or other communication in writing.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 481 the following new item:

''480. Department of Defense reports: submission in electronic form.''.

SEC. 1032. REPORT ON DEPARTMENT OF DEFENSE ROLE IN HOMELAND SECURITY MATTERS.

The Secretary of Defense shall conduct a study on the appropriate role for the Department of Defense in homeland security matters. The Secretary shall submit to the Congress a report on the results of that study at the same time that the budget of the President for fiscal year 2003 is submitted to Congress.

SEC. 1033. REVISION OF ANNUAL REPORT TO CONGRESS ON NATIONAL GUARD AND RESERVE COMPONENT EQUIPMENT.

The text of section 10541 of title 10, United States Code, is amended to read as follows:

''(a) REQUIREMENT.—The Secretary of Defense shall submit to Congress each year, not later than March 1, a written report concerning the equipment of the National Guard and the reserve components of the armed forces. Each such report shall cover the current fiscal year and the three succeeding years.

''(b) MATTERS TO BE INCLUDED IN REPORT.—Each report under this section shall include the following (shown in the aggregate and separately for each reserve component):

''(1) A list of major items of equipment required and on-hand in the inventories of the reserve components.

''(2) A list of major items of equipment that are expected to be procured from commercial sources or transferred from the active component to the reserve components.

''(3) A statement of major items of equipment in the inventories of the reserve components that are substitutes for a required major item of equipment.

''(4) A narrative explanation of the plan of the Secretary concerned to equip each reserve component, including an explanation of the plan to equip units of the reserve components that are short major items of equipment at the outset of war or a contingency operation.

''(5) A narrative discussing the current status of the compatibility and interoperability of equipment between the reserve components and the active forces and the effect of that level of compatibility or interoperability on combat effectiveness, together with a plan to achieve full equipment compatibility and interoperability.

''(6) A narrative discussing modernization shortfalls and maintenance backlogs within the reserve components and the effect of those shortfalls on combat effectiveness.

''(7) A narrative discussing the overall age and condition of equipment currently in the inventory of the reserve components.

''(c) MAJOR ITEMS OF EQUIPMENT.—In this section, the term 'major items of equipment' includes ships, aircraft, combat vehicles, and key combat support equipment.

''(d) FORMAT AND LEVEL OF DETAIL.—Each report under this section shall be expressed in the same format and with the same level of detail as the information presented in the Future-Years Defense Program Procurement Annex prepared by the Department of Defense.''.

Subtitle E—Other Matters

SEC. 1041. DEPARTMENT OF DEFENSE GIFT AUTHORITIES.

(a) ADDITIONAL ITEMS AUTHORIZED TO BE DONATED BY SECRETARY OF THE NAVY.—Section 7545 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''Subject to'' and all that follows through ''by him,'' and inserting ''AUTHORITY TO MAKE LOANS AND GIFTS.—The Secretary of the Navy'';

(B) by striking ''captured, condemned,'' and all that follows through ''to—'' and inserting ''items described in subsection (b) that are not needed by the Department of the Navy to any of the following:''

(C) by capitalizing the first letter after the paragraph designation in each of paragraphs (1) through (12);

(D) by striking the semicolon at the end of paragraphs (1) through (10) and inserting a period;

(E) by striking ''; or'' at the end of paragraph (11) and inserting a period;

(F) in paragraph (5), by striking ''World War I or World War II'' and inserting ''a foreign war'';

(G) in paragraph (6), by striking ''soldiers' monument'' and inserting ''servicemen's monument''; and

(H) in paragraph (8), by inserting ''or memorial'' after ''a museum'';

(2) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively;

(3) by inserting after subsection (a) the following new subsections:

''(b) ITEMS ELIGIBLE FOR DISPOSAL.—This section applies to the following types of property held by the Department of the Navy:

''(1) Captured, condemned, or obsolete ordnance material.

''(2) Captured, condemned, or obsolete combat or shipboard material.

''(c) REGULATIONS.—A loan or gift made under this section shall be subject to regulations prescribed by the Secretary of the Navy and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).'';

(4) in subsection (d) (as redesignated by paragraph (2)), by inserting ''MAINTENANCE OF THE RECORDS OF THE GOVERNMENT.—'' after the subsection designation;

(5) in subsection (e) (as redesignated by paragraph (2)), by inserting ''ALTERNATIVE AUTHORITIES TO MAKE GIFTS OR LOANS.—'' after the subsection designation; and

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

''(f) AUTHORITY TO TRANSFER A PORTION OF A VESSEL.—The Secretary may lend, give, or otherwise transfer any portion of the hull or superstructure of a vessel stricken from the Naval Vessel Register and designated for scrapping to a qualified organization specified in subsection (a). The terms and conditions of an agreement for the transfer of a portion of a vessel under this section shall include a requirement that the transferee will maintain the material conveyed in a condition that will not diminish the historical value of the material or bring discredit upon the Navy.''.

(b) CONFORMING AMENDMENTS.—Section 2572(a) of such title is amended—

(1) in paragraph (2), by striking ''soldiers' monument'' and inserting ''servicemen's monument''; and

(2) in paragraph (4), by inserting ''or memorial'' after ''An incorporated museum''.

SEC. 1042. TERMINATION OF REFERENDUM REQUIREMENT REGARDING CONTINUATION OF MILITARY TRAINING ON ISLAND OF VIEQUES, PUERTO RICO, AND IMPOSITION OF ADDITIONAL CONDITIONS ON CLOSURE OF LIVE-FIRE TRAINING RANGE.

(a) IN GENERAL.—Title XV of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–348) is amended by striking sections 1503, 1504, and 1505 and inserting the following new sections:

''SEC. 1503. CONDITIONS ON CLOSURE OF VIEQUES NAVAL TRAINING RANGE.

''(a) REQUIRED CERTIFICATION.—The Secretary of the Navy may close the Vieques Naval Training Range on the island of Vieques, Puerto Rico, and discontinue live-fire training at that range only if—

''(1) the Chief of Naval Operations and the Commandant of the Marine Corps jointly certify that there is an alternative training facility that provides an equivalent or superior level of training for units of the Navy and the Marine Corps stationed or deployed in the eastern United States; and

''(2) the new facility is available and fully capable of supporting such training immediately upon cessation of live-fire training on Vieques.

''(b) EQUIVALENT OR SUPERIOR LEVEL OF TRAINING DEFINED.—In this section, the term 'equal or superior level of training' refers to an ability by the Armed Forces to conduct at a single location coordinated live-fire training, including simultaneous large-scale tactical air strikes, naval surface fire support and artillery, and amphibious landing operations, as was conducted at Vieques Naval Training Range before April 19, 1999.

''SEC. 1504. NAVY RETENTION OF CLOSED VIEQUES NAVAL TRAINING RANGE.

''(a) RETENTION.—If the conditions specified in section 1503(a) are satisfied and the Secretary of the Navy terminates all Navy and Marine Corps training operations on the island of Vieques, the Secretary of the Navy shall retain administrative jurisdiction over the Live Impact Area and all other Department of Defense real properties on the eastern side of the island for possible reactivation for training use, including live-fire training, in the event a national emergency.

''(b) ADMINISTRATION.—The Secretary of the Navy may enter into a cooperative agreement with the Secretary of the Interior to provide for management of the property described in subsection (a), pending reactivation for training use, by appropriate agencies of the Department of the Interior as follows:

''(1) Management of the Live Impact Area as a wilderness area under the Wilderness Act (16 U.S.C. 1131 et seq.), including a prohibition on public access to the area.

''(2) Management of the remaining property as wildlife refuges under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).

''(c) LIVE IMPACT AREA DEFINED.—In this section, the term 'Live Impact Area' means the parcel of real property, consisting of approximately 900 acres (more or less), on the island of Vieques that is designated by the Secretary of the Navy for targeting by live ordnance in the training of forces of the Navy and Marine Corps.''.

(b) CONFORMING AMENDMENT.—Section 1507(c) of such Act is amended by striking ''the issuance of a proclamation described in section 1504(a) or''.

SEC. 1043. REPEAL OF LIMITATION ON REDUCTIONS IN PEACEKEEPER ICBM MISSILES.

Subsection (a)(1) of section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) is amended by striking subparagraph (D).

SEC. 1044. TRANSFER OF VIETNAM ERA F–4 AIRCRAFT TO NONPROFIT MUSEUM.

(a) AUTHORITY TO CONVEY.—The Secretary of the Air Force may convey, without consideration, to the nonprofit National Aviation Museum and Foundation of Oklahoma (in this section referred to as the ''museum''), all right, title, and interest of the United States in and to one surplus F–4 aircraft that is flyable or that can be readily restored to flyable condition. The conveyance shall be made by means of a conditional deed of gift.

(b) CONDITION OF AIRCRAFT.—(1) The Secretary may not convey ownership of an aircraft under subsection (a) until the Secretary determines that the museum has altered the aircraft in such manner as the Secretary determines necessary to ensure that the aircraft does not have any capability for use as a platform for launching or releasing munitions or any other combat capability that it was designed to have.

(2) 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—

(1) a condition that the museum not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary;

(2) a condition that the museum operate and maintain the aircraft in compliance with all applicable limitations and maintenance requirements imposed by the Administrator of the Federal Aviation Administration; and

(3) a condition that if the Secretary determines at any time that the museum has conveyed an ownership interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, or has failed to comply with the condition set forth in paragraph (2), 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 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. 1045. BOMBER FORCE STRUCTURE.

(a) LIMITATION.—None of the funds available to the Department of Defense for fiscal year 2002 may be obligated or expended for retiring or dismantling any of the 93 B–1B Lancer bombers in service as of June 1, 2001, or for transferring or reassigning any of those aircraft from the unit or the facility to which assigned as of that date, until each of the following has occurred:

(1) The President transmits to Congress a national security strategy report under section 108 of the National Security Act of 1947 (50 U.S.C. 4040) as required by subsection (a)(3) of that section.

(2) 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 the Quadrennial Defense Review (QDR) under section 118 of

title 10, United States Code, that under that section is required to be submitted not later than September 30, 2001.

(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 report that provides—

(A) the changes in national security considerations from those applicable to the air force bomber studies conducted during 1992 and 1995 that warrant changes in the current configuration of the bomber fleet; and

(B) the plans of the Department of Defense for assigning new missions to the National Guard units that currently fly B–1 aircraft and for the transition of those units and their facilities from the current B–1 mission to their future missions.

(4) The Secretary of Defense submits to Congress the annual report of the Secretary for 2001 required by section 113(c) of title 10, United States Code.

(5) The Secretary of Defense submits to Congress a report on the results of the Revised Nuclear Posture Review conducted under section 1042 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), as required by subsection (c) of that section.

(6) The Secretary of Defense conducts, and submits to the Committee on Armed Services of the Senate and Committee on Armed Services of the House of Representatives a report on the results of, a comprehensive study to determine—

(A) the role of manned bomber aircraft appropriate to meet the requirements derived from the National Security Strategy report referred to in paragraph (1);

(B) the amount and type of bomber force structure in the United States Air Force appropriate to meet the requirements derived from the National Security Strategy report referred to in paragraph (1); and

(C) the most cost effective allocation of bomber force structure, factoring in use of the reserve components of the Air Force consistent with the requirements of the National Security Strategy report referred to in paragraph (1).

(b) GAO STUDY AND REPORT.—The Comptroller General of the United States shall conduct a study on the same matters as specified in subparagraphs (A), (B), and (C) of subsection (a)(6). The Comptroller General shall submit to Congress a report containing the results of that study not later than 180 days after the date of the submission of the report referred to in subsection (a)(6)

(c) DEFINITIONS.—For purposes of this section:

(1) AMOUNT AND TYPE OF BOMBER FORCE STRUCTURE.—The term ''amount and type of bomber force structure'' means the required numbers of B–2 aircraft, B–52 aircraft, and B–1 aircraft consistent with the requirements of the National Security Strategy referred to in subsection (a)(1).

(2) COST EFFECTIVE ALLOCATION OF BOMBER FORCE STRUCTURE.—The term ''cost effective allocation of bomber force structure'' means the lowest cost for stationing, maintaining, and operating the bomber fleet fully consistent with the requirements of the National Security Strategy referred to in subsection (a)(1).

SEC. 1046. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, are each amended by striking the period after ''1111'' in the item relating to chapter 56.

(2) Section 119(g)(2) is amended by striking ''National Security Subcommittee'' and inserting ''Subcommittee on Defense''.

(3) Section 130c(b)(3)(C) is amended by striking ''subsection (f)'' and inserting ''subsection (g)''.

(4) Section 176(a)(3) is amended by striking ''Chief Medical Director'' and inserting ''Under Secretary for Health''.

(5)(A) Section 503(c) is amended in paragraph (6)(A)(i) by striking ''14101(18)'' and ''8801(18)'' and inserting ''14101'' and ''8801'', respectively.

(B) The amendment made by subparagraph (A) shall take effect on July 1, 2002, immediately after the amendment to such section effective that date by section 563(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 131).

(6) Section 663(e) is amended—

(A) by striking ''Armed Forces Staff College'' in paragraph (1) and inserting ''Joint Forces Staff College''; and

(B) by striking ''ARMED FORCES STAFF COLLEGE'' and inserting ''JOINT FORCES STAFF COLLEGE''.

(7) Section 667(17) is amended by striking ''Armed Forces Staff College'' both places it appears and inserting ''Joint Forces Staff College''.

(8) Section 874(a) is amended by inserting after ''a sentence of confinement for life without eligibility for parole'' the following: ''that is adjudged for an offense committed after October 29, 2000''.

(9) Section 1056(c)(2) is amended by striking '', not later than September 30, 1991,''.

(10) The table of sections at the beginning of chapter 55 is amended by transferring the item relating to section 1074i, as inserted by section 758(b) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–200), so as to appear after the item relating to section 1074h.

(11) Section 1097a(e) is amended by striking ''section 1072'' and inserting ''section 1072(2)''.

(12) Sections 1111(a) and 1114(a)(1) are each amended by striking ''hereafter'' and inserting ''hereinafter''.

(13) Section 1116 is amended—

(A) in subsection (a)(2)(B), by inserting an open parenthesis before ''other than for training''; and

(B) in subsection (b)(2)(D), by striking ''section 111(c)(4)'' and inserting ''section 1115(c)(4)''.

(14) The heading for subchapter II of chapter 75 is transferred within that chapter so as to appear before the table of sections at the beginning of that subchapter (as if the amendment made by section 721(c)(1) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 694) had inserted that heading following section 1471 instead of before section 1475).

(15) Section 1611(d) is amended by striking ''with''.

(16) Section 2166(e)(9) is amended by striking ''App. 2'' and inserting ''App.''.

(17) Section 2323(a)(1)(C) is amended—

(A) by striking ''section 1046(3)'' and inserting ''section 365(3)'';

(B) by striking ''20 U.S.C. 1135d–5(3)'' and inserting ''20 U.S.C. 1067k''; and

(C) by striking '', which, for the purposes of this section'' and all that follows through the period at the end and inserting a period.

(18) Section 2375(b) is amended by inserting ''(41 U.S.C. 430)'' after ''section 34 of the Office of Federal Procurement Policy Act''.

(19) Section 2376(1) is amended by inserting ''(41 U.S.C. 403)'' after ''section 4 of the Office of Federal Procurement Policy Act''.

(20) Section 2410f(a) is amended by inserting after ''inscription'' the following: '', or another inscription with the same meaning,''.

(21) Section 2461a(a)(2) is amended by striking ''effeciency'' and inserting ''efficiency''.

(22) Section 2467 is amended—

(A) in subsection (a)(2)—

(i) by striking '', United States Code'' in subparagraph (A); and

(ii) by striking ''such'' in subparagraphs (B) and (C); and

(B) in subsection (b)(2)(A), by striking ''United States Code,''.

(23) Section 2535 is amended—

(A) in subsection (a)—

(i) by striking ''intent of Congress'' and inserting ''intent of Congress—'';

(ii) by realigning clauses (1), (2), (3), and (4) so that each such clause appears as a separate paragraph indented two ems from the left margin; and

(iii) in paragraph (1), as so realigned, by striking ''Armed Forces'' and inserting ''armed forces'';

(B) in subsection (b)(1)—

(i) by striking ''in this section, the Secretary is authorized and directed to—'' and inserting ''in subsection (a), the Secretary of Defense shall—''; and

(ii) by striking ''defense industrial reserve'' in subparagraph (A) and inserting ''Defense Industrial Reserve''; and

(C) in subsection (c)—

(i) by striking paragraph (1);

(ii) by redesignating paragraph (2) as paragraph (1) and in that paragraph—

(I) by striking ''means'' and inserting ''means—'';

(II) by realigning clauses (A), (B), and (C) so that each such clause appears as a separate subparagraph indented four ems from the left margin; and

(III) by inserting ''and'' at the end of subparagraph (B), as so realigned; and

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

(24) Section 2541c is amended by striking ''subtitle'' both places it appears in the matter preceding paragraph (1) and inserting ''subchapter''.

(25) The second section 2555, added by section 1203(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–324), is redesignated as section 2565, and the item relating to that section in the table of sections at the beginning of chapter 152 is revised to conform to such redesignation.

(26) The second section 2582, added by section 1(a) of Public Law 106–446 (114 Stat. 1932), is redesignated as section 2583, and the item relating to that section in the table of sections at the beginning of chapter 153 is revised to conform to such redesignation.

(27)(A) Section 2693(a) is amended—

(i) in the matter preceding paragraph (1), by inserting ''of Defense'' after ''Secretary''; and

(ii) in paragraph (3)—

(I) by inserting ''to the Secretary of Defense'' after ''certifies'';

(II) by inserting ''(42 U.S.C. 3762a)'' after ''of 1968''; and

(III) by striking ''to the public agencies referred to in section 515(a)(1) or 515(a)(3) of title I of such Act'' and inserting ''to a public agency referred to in paragraph (1) or (3) of subsection (a) of such section''.

(B)(i) The heading of such section is amended to read as follows:

''§ 2693. Conveyance of certain property: Department of Justice correctional options program''.

(ii) The item relating to such section in the table of sections at the beginning of chapter 159 is amended to read as follows:

''2693. Conveyance of certain property: Department of Justice correctional options program.''.

(28) Section 3014(f)(3) is amended by striking ''the number equal to'' and all that follows and inserting ''67.''.

(29) Section 5014(f)(3) is amended by striking ''the number equal to'' and all that follows and inserting ''74.''.

(30) Section 8014(f)(3) is amended by striking ''the number equal to'' and all that follows and inserting ''60.''.

(31) Section 9783(e)(1) is amended by striking ''40101(a)(2)'' and inserting ''40102(a)(2)''.

(32) Section 12741(a)(2) is amended by striking ''received'' and inserting ''receive''.

(b) AMENDMENTS RELATING TO CHANGE IN TITLE OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS.—Title 10, United States Code, is further amended as follows:

(1) Section 133a(b) is amended by striking ''shall assist the Under Secretary of Defense for Acquisition and Technology'' and inserting ''shall assist the Under Secretary of Defense for Acquisition, Technology, and Logistics''.

(2) The following provisions are each amended by striking ''Under Secretary of Defense for Acquisition and Technology'' and inserting ''Under Secretary of Defense for Acquisition, Technology, and Logistics'': sections 139(c), 139(f), 171(a)(3), 179(a)(1), 1702, 1703, 1707(a), 1722(a), 1722(b)(2)(B), 1735(c)(1), 1737(c)(1), 1737(c)(2)(B), 1741(b), 1746(a), 1761(b)(4), 1763, 2302c(a)(2), 2304(f)(1)(B)(iii), 2304(f)(6)(B), 2311(c)(1), 2311(c)(2)(B), 2350a(b)(2), 2350a(e)(1)(A), 2350a(e)(2)(B), 2350a(f)(1), 2399(b)(3), 2435(b), 2435(d)(2), 2521(a), and 2534(i)(3).

(3)(A) The heading for section 1702 is amended to read as follows:

''§ 1702. Under Secretary of Defense for Acquisition, Technology, and Logistics: authorities and responsibilities''.

(B) The item relating to section 1702 in the table of sections at the beginning of subchapter I of chapter 87 is amended to read as follows:

''1702. Under Secretary of Defense for Acquisition, Technology, and Logistics: authorities and responsibilities.''.

(4) Section 2503(b) is amended by striking ''Under Secretary of Defense for Acquisition'' and inserting ''Under Secretary of Defense for Acquisition, Technology, and Logistics''.

(c) AMENDMENTS TO SUBSTITUTE CALENDAR DATES FOR DATE-OF-ENACTMENT REFERENCES.—Title 10, United States Code, is further amended as follows:

(1) Section 130c(d)(1) is amended by striking ''the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001'' and inserting ''October 30, 2000,''.

(2) Section 184(a) is amended by striking ''the date of the enactment of this section,'' and inserting ''October 30, 2000,''.

(3) Section 986(a) is amended by striking ''the date of the enactment of this section,'' and inserting ''October 30, 2000,''.

(4) Section 1074g(a)(8) is amended by striking ''the date of the enactment of this section'' and inserting ''October 5, 1999,''.

(5) Section 1079(h)(2) is amended by striking ''the date of the enactment of this paragraph'' and inserting ''February 10, 1996,''.

(6) Section 1206(5) is amended by striking ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 2000,'' and inserting ''October 5, 1999,''.

(7) Section 1405(c)(1) is amended by striking ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995,'' and inserting ''October 5, 1994,''.

(8) Section 1407(f)(2) is amended by striking ''the date of the enactment of this subsection—'' and inserting ''October 30, 2000—''.

(9) Section 1408(d)(6) is amended by striking ''the date of the enactment of this paragraph'' and inserting ''August 22, 1996,''.

(10) Section 1511(b) is amended by striking ''the date of the enactment of this chapter.'' and inserting ''February 10, 1996.''.

(11) Section 2461a(b)(1) is amended by striking ''the date of the enactment of this section,'' and inserting ''October 30, 2000,''.

(12) Section 4021(c)(1) is amended by striking ''the date of the enactment of this section.'' and inserting ''November 29, 1989.''.

(13) Section 6328(a) is amended by striking ''the date of the enactment of this section'' and inserting ''February 10, 1996,''.

(14) Section 7439 is amended—

(A) in subsection (a)(2), by striking ''one year after the date of the enactment of this section,'' and inserting ''November 18, 1998,'';

(B) in subsection (b)(1), by striking ''the date of the enactment of this section,'' and inserting ''November 18, 1997,'';

(C) in subsection (b)(2), by striking ''the end of the one-year period beginning on the date of the enactment of this section.'' and inserting ''November 18, 1998.''; and

(D) in subsection (f)(2), by striking ''the date of the enactment of this section'' and inserting ''November 18, 1997,''.

(15) Section 12533 is amended—

(A) in each of subsections (b) and (c)(1), by striking ''the date of the enactment of this section.'' and inserting ''November 18, 1997.''; and

(B) in each of subsections (c)(2) and (d), by striking ''the date of the enactment of this section'' and inserting ''November 18, 1997,''.

(16) Section 12733(3) is amended—

(A) in subparagraph (B), by striking ''the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001;'' and inserting ''October 30, 2000;''; and

(B) in subparagraph (C), by striking ''the date of the enactment of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001'' and inserting ''October 30, 2000,''.

(d) AMENDMENTS RELATING TO CHANGE IN TITLE OF MCKINNEY-VENTO HOMELESS ASSISTANCE ACT.—The following provisions are each amended by striking ''Stewart B. McKinney Homeless Assistance Act'' and inserting ''McKinney-Vento Homeless Assistance Act'':

(1) Sections 2814(j)(2), 2854a(d)(2), and 2878(d)(4) of title 10, United States Code.

(2) Sections 2905(b)(6)(A) and 2910(11) 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).

(3) Section 204(b)(6)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(4) Section 2915(c)(10) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2687 note).

(5) Section 2(e)(4)(A) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103–421; 10 U.S.C. 2687 note).

(6) Section 1053(a) of the National Defense Authorization Act for Fiscal Year 1997 (110 Stat. 2650).

(e) AMENDMENTS TO REPEAL OBSOLETE PROVISIONS.—Title 10, United States Code, is further amended as follows:

(1) Section 1144 is amended—

(A) in subsection (a)(3), by striking the second sentence; and

(B) by striking subsection (e).

(2) Section 1581(b) is amended—

(A) by striking ''(1)'' and all that follows through ''The Secretary of Defense shall deposit'' and inserting ''The Secretary of Defense shall deposit''; and

(B) by striking ''on or after December 5, 1991,''.

(3) Subsection (e) of section 1722 is repealed.

(4) Subsection 1732(a) is amended by striking the second sentence.

(5) Section 1734 is amended—

(A) in subsection (b)(1)(B), by striking ''on and after October 1, 1991,''; and

(B) in subsection (e)(2), by striking the last sentence.

(6)(A) Section 1736 is repealed.

(B) The table of sections at the beginning of subchapter III of chapter 87 is amended by striking the item relating to section 1736.

(7)(A) Sections 1762 and 1764 are repealed.

(B) The table of sections at the beginning of subchapter V of chapter 87 is amended by striking the items relating to sections 1762 and 1764.

(8) Section 2112(a) is amended by striking '', with the first class graduating not later than September 21, 1982''.

(9) Section 2218(d)(1) is amended by striking ''for fiscal years after fiscal year 1993''.

(10)(A) Section 2468 is repealed.

(B) The table of sections at the beginning of chapter 146 is amended by striking the item relating to section 2468.

(11) Section 2832 is amended—

(A) by striking ''(a)'' before ''The Secretary of Defense''; and

(B) by striking subsection (b).

(12) Section 7430(b)(2) is amended—

(A) by striking ''at a price less than'' and all that follows through ''the current sales price'' and inserting ''at a price less than the current sales price'';

(B) by striking ''; or'' and inserting a period; and

(C) by striking subparagraph (B).

(f) 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 525(b)(1) (114 Stat. 1654A–109) is amended by striking ''subsection (c)'' and inserting ''subsections (a) and (b)''.

(2) Section 1152(c)(2) (114 Stat. 1654A–323) is amended by inserting ''inserting'' after ''and''.

(g) PUBLIC LAW 106–65.—Effective as of October 5, 1999, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) is amended as follows:

(1) Section 531(b)(2)(A) (113 Stat. 602) is amended by inserting ''in subsection (a),'' after ''(A)''.

(2) Section 549(a)(2) (113 Stat. 611) is amended by striking ''such chapter'' and inserting ''chapter 49 of title 10, United States Code,''.

(3) Section 576(a)(3) (10 U.S.C. 1501 note; 113 Stat. 625) is amended by adding a period at the end.

(4) Section 577(a)(2) (113 Stat. 625) is amended by striking ''bad conduct'' in the first quoted matter and inserting ''bad-conduct''.

(5) Section 811(d)(3)(B)(v) (10 U.S.C. 2302 note; 113 Stat. 709) is amended by striking ''Mentor-Protegee'' and inserting ''Mentor-Protege''.

(6) Section 1052(b)(1) (113 Stat. 764) is amended by striking '' 'The Department'' and inserting ''the 'Department''.

(7) Section 1053(a)(5) (10 U.S.C. 113 note; 113 Stat. 764) is amended by inserting ''and'' before ''Marines''.

(8) Section 1402(f)(2)(A) (22 U.S.C. 2778 note; 113 Stat. 799) is amended by striking ''3201 note'' and inserting ''6305(4)''.

(9) Section 2902(d) (10 U.S.C. 111 note; 113 Stat. 882) is amended by striking ''section 2871(b)'' and inserting ''section 2881(b)''.

(h) PUBLIC LAW 102–484.—The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended as follows:

(1) Section 3161(c)(6)(C) (42 U.S.C. 7274h(c)(6)(C)) is amended by striking ''title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.)'' and inserting ''title II of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 et seq.)''.

(2) Section 4416(b)(1) (10 U.S.C. 12681 note) is amended by striking ''force reduction period'' and inserting ''force reduction transition period''.

(3) Section 4461(5) (10 U.S.C. 1143 note) is amended by adding a period at the end.

(i) OTHER LAWS.—

(1) Section 1083(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 113 note) is amended by striking ''NAMES'' and inserting ''NAME''.

(2) Section 845(d)(1)(B)(ii) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended by inserting a closed parenthesis after ''41 U.S.C. 414(3))''.

(3) Section 1123(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1556) is amended by striking ''Armed Forces Staff College'' each place it appears and inserting ''Joint Forces Staff College''.

(4) Section 1412(g)(2)(C)(vii) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)(C)(vii)) is amended by striking ''(c)(3)'' and inserting ''(c)(4)''.

(5) Section 8336 of title 5, United States Code, is amended—

(A) in subsection (d)(2), by striking ''subsection (o)'' and inserting ''subsection (p)''; and

(B) by redesignating the second subsection (o), added by section 1152(a)(2) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–320), as subsection (p).

(6) Section 9001(3) of title 5, United States Code, is amended by striking ''and'' at the end of subparagraph (A) and inserting ''or''.

(7) Section 318(h)(3) of title 37, United States Code, is amended by striking ''subsection (a)'' and inserting ''subsection (b)''.

(8) Section 3695(a)(5) of title 38, United States Code, is amended by striking ''1610'' and inserting ''1611''.

(9) Section 13(b) of the Peace Corps Act (22 U.S.C. 2512(b)) is amended by striking '', subject to section 5532 of title 5, United States Code''.

(10) Section 127(g)(6) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note), as amended by section 311(b) of the Legislative Branch Appropriations Act, 2000 (Public Law 106–57; 113 Stat. 428), is amended—

(A) by striking ''AUTHORITIES.—'' and all that follows through ''An individual'' and inserting ''AUTHORITIES.—An individual''; and

(B) by striking subparagraph (B).

(11) Section 28 of the Atomic Energy Act of 1954 (42 U.S.C. 2038) is amended in the last sentence by striking '', subject to'' and all that follows through the period at the end and inserting a period.

(12) Section 3212 of the National Nuclear Security Administration Act (50 U.S.C. 2402) is amended by redesignating the second subsection (e), added by section 3159(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–469), as subsection (f).

SEC. 1047. LEASING OF NAVY SHIPS FOR UNIVERSITY NATIONAL OCEANOGRAPHIC LABORATORY SYSTEM.

Subsection (g) of section 2667 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) Paragraph (1) does not apply to a renewal or extension of a lease by the Secretary of the Navy with a selected institution for operation of a ship within the University National Oceanographic Laboratory System if, under the lease, each of the following applies:

''(A) Use of the ship is restricted to federally supported research programs and to non-Federal uses under specific conditions with approval by the Secretary of the Navy.

''(B) Because of the anticipated value to the Navy of the oceanographic research and training that will result from the ship's operation, no monetary lease payments are required from the lessee under the initial lease or under any renewal or extension.

''(C) The lessee is required to maintain the ship in a good state of repair, readiness, and efficient operating condition, conform to all applicable regulatory requirements, and assume full responsibility for the safety of the ship, its crew, and scientific personnel aboard.''.

SEC. 1048. SENSE OF CONGRESS REGARDING CONTINUED UNITED STATES COMMITMENT TO RESTORING LAFAYETTE ESCADRILLE MEMORIAL, MARNES LA-COGUETTE, FRANCE.

(a) FINDINGS.—Congress finds the following:

(1) The Lafayette Escadrille, an aviation squadron within the French Lafayette Flying Corps, was formed April 16, 1916.

(2) The Lafayette Escadrille consisted of aviators from the United States who volunteered to fight for the people of France during World War I.

(3) 265 volunteers from the United States served in the Lafayette Flying Corps, completing 3,000 combat sorties and amassing nearly 200 victories.

(4) The Lafayette Escadrille won 4 Legions of Honor, 7 Medailles Militaires, and 31 citations, each with a Croix de Guerre.

(5) In 1918, command of the Lafayette Escadrille was transferred to the United States, where the Lafayette Escadrille became the combat air force of the United States.

(6) In 1921, a Franco-American committee was organized to locate a final resting place for the 68 United States aviators who lost their lives flying for France during World War I.

(7) The Lafayette Escadrille Memorial was dedicated on July 4, 1928, in honor of all United States aviators who flew for France during World War I.

(8) The Lafayette Escadrille Memorial Foundation, located in the United States and in France, was founded by Nelson Cromwell in 1930 and endowed with a $1,500,000 trust for the maintenance and upkeep of the Lafayette Escadrille Memorial.

(9) Environmental conditions have contributed to structural damage to, and the overall degradation of, the Lafayette Escadrille Memorial, preventing the holding of memorial services inside the crypt.

(10) The French Government has pledged funds to support a restoration of the Lafayette Escadrille Memorial.

(11) The Lafayette Escadrille Memorial should be restored to its original beauty to honor all the United States aviators who flew for France during World War I and to demonstrate the respect of the United States for the sacrifices made by all Americans who have served our Nation and our allies.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States should continue to honor its commitment to the United States aviators who lost their lives flying for France during World War I by appropriating sufficient funds to restore the Lafayette Escadrille Memorial in Marnes La-Coguette, France.

SEC. 1049. DESIGNATION OF FIREFIGHTER ASSISTANCE PROGRAM IN HONOR OF FLOYD D. SPENCE, A FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES, AND SENSE OF CONGRESS ON NEED TO CONTINUE THE PROGRAM.

(a) DESIGNATION.—Section 33(b)(2)(A) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229(b)(2)(A)) is amended—

(1) by inserting ''AND DESIGNATION'' after ''ESTABLISHMENT''; and

(2) by adding at the end the following new sentence: ''The program of firefighter assistance administered by the Office shall be known as the 'Floyd D. Spence Memorial Domestic Defenders Initiative'.''.

(b) SENSE OF CONGRESS.—The firefighters assistance grant program authorized by section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229) is recognized as having served as an effective device in Congress' ongoing effort to address the needs of America's fire service, and it is the sense of Congress that the program should be reauthorized for fiscal year 2003 and subsequent fiscal years at a higher level of funding.

SEC. 1050. SENSE OF CONGRESS ON IMPLEMENTATION OF FUEL EFFICIENCY REFORMS IN DEPARTMENT OF DEFENSE.

(a) FINDINGS.—Congress finds the following:

(1) The Federal Government is the largest single energy user in the United States, and the Department of Defense is the largest energy user among all Federal agencies.

(2) The Department of Defense consumed 595,000,000,000,000 BTUs of petroleum in fiscal year 1999, while all other Federal agencies combined consumed 56,000,000,000,000 BTUs of petroleum.

(3) The total cost of petroleum to the Department of Defense amounted to $3,600,000,000 in fiscal year 2000.

(4) Increased fuel efficiency would reduce the cost of delivering fuel to military units during operations and training and allow a corresponding percentage of defense dollars to be reallocated to logistic shortages and other readiness needs.

(5) Increased fuel efficiency would decrease the time needed to assemble military units, would increase unit flexibility, and would allow units to remain in the field for a longer period of time.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should work to implement fuel efficiency reforms, as recommended by the Defense Science Board report, which allow for investment decisions based on the true cost of delivered fuel, strengthen the linkage between warfighting capability and fuel logistics requirements, provide high-level leadership encouraging fuel efficiency, target fuel efficiency improvements through science and technology investment, and include fuel efficiency in requirements and acquisition processes.

SEC. 1051. PLAN FOR SECURING RUSSIA'S NUCLEAR WEAPONS, MATERIAL, AND EXPERTISE.

(a) PLAN FOR NONPROLIFERATION PROGRAMS WITH RUSSIA.—Not later than June 15, 2002, the President shall submit to Congress a plan—

(1) for cooperation with Russia on disposition as soon as practicable of nuclear weapons and weapons-usable nuclear material in Russia that Russia does not retain in its nuclear arsenal; and

(2) to prevent the outflow from Russia of scientific expertise that could be used for developing nuclear weapons or other weapons of mass destruction, including delivery systems.

(b) CONTENT OF PLAN.—The plan required by subsection (a) shall include the following:

(1) Specific goals and measurable objectives for the programs that are designed to carry out the objectives specified in paragraphs (1) and (2) of subsection (a).

(2) Criteria for success for those programs and a strategy for eventual termination of United States contributions to those programs and assumption of the ongoing support of those programs by Russia.

(3) A description of any administrative and organizational changes necessary to improve the coordination and effectiveness of the programs to be implemented under the plan.

(4) An estimate of the cost of carrying out those programs.

(c) CONSULTATION WITH RUSSIA.—In developing the plan required by subsection (a), the President shall consult with Russia regarding the practicality of various options.

(d) CONSULTATION WITH CONGRESS.—In developing the plan required by subsection (a), the President shall consult with the majority and minority leadership of the appropriate committees of Congress.

SEC. 1052. TWO-YEAR EXTENSION OF ADVISORY PANEL TO ASSESS DOMESTIC RESPONSE CAPABILITIES FOR TERRORISM INVOLVING WEAPONS OF MASS DESTRUCTION.

Section 1405 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (50 U.S.C. 2301 note) is amended—

(1) in subsection (h)(2), by striking ''2001'' and inserting ''2003''; and

(2) in subsection (l), by striking ''three years'' and inserting ''five years''.

SEC. 1053. ACTION TO PROMOTE NATIONAL DEFENSE FEATURES PROGRAM.

(a) FINDINGS.—The Congress finds the following:

(1) The National Defense Features program, which is funded from the National Defense Sealift Fund established by section 2218 of title 10, United States Code, is a constituent element of the defense policy of the United States intended to provide essential sealift capacity in emergencies, strengthen the national shipbuilding base, and maintain a resource of highly trained merchant seamen.

(2) Implementation of the National Defense Features program would provide significant benefits both for the United States and for allied nations during military contingencies.

(3) For the United States and nations allied with the United States to realize these benefits, it is essential that vessels built under that program enjoy commercial opportunities in peacetime on trade routes between the United States and allied nations and that those vessels not be excluded from such opportunities through restrictive trade practices.

(4) The failure of vessels built, or to be built, under the National Defense Features program to obtain employment as common carriers or contract carriers in the particular sector of any trade route in the foreign commerce of the United States for which they are designed to operate, together with long-term domination of that sector of the trade route by citizens of an allied nation, evidences the existence of restrictive trade practices.

(b) ACTION TO PROMOTE PROGRAM.—In any case in which the Secretary of Defense finds the existence of the conditions determined by subsection (a)(4) to prove the existence of restrictive trade practices, the Secretary shall certify the csae to the Federal Maritime Commission, which thereupon, in consultation with the Secretary, shall take action to counteract such practices, utilizing all remedies available under section 10002(e)(1) of the Foreign Shipping Practices Act of 1988 (46 U.S.C. App. 1710a).

SEC. 1054. AMENDMENTS RELATING TO COMMISSION ON THE FUTURE OF THE UNITED STATES AEROSPACE INDUSTRY.

(a) DEADLINE FOR REPORT.—Subsection (d)(1) of section 1092 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–302) is amended by striking ''March 1, 2002'' and inserting ''one year after the date of the first official meeting of the Commission''.

(b) TERMINATION OF COMMISSION.—Subsection (g) of such section is amended by striking ''30 days'' and inserting ''60 days''.

SEC. 1055. AUTHORITY TO ACCEPT MONETARY CONTRIBUTIONS FOR REPAIR AND RECONSTRUCTION OF PENTAGON RESERVATION.

Section 2674(e) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3);

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

''(2) The Secretary of Defense may accept monetary contributions made for the purpose of assisting to finance the repair and reconstruction of the Pentagon Reservation following the terrorist attack that occurred on September 11, 2001. The Secretary shall deposit such contributions in the Fund.''; and

(3) in paragraph (3), as redesignated, by inserting at the end the following new sentence: ''However, contributions accepted under paragraph (2) shall be available for expenditure only for the purpose specified in such paragraph.''.

TITLE XI—CIVILIAN PERSONNEL

SEC. 1101. UNDERGRADUATE TRAINING PROGRAM FOR EMPLOYEES OF THE NATIONAL IMAGERY AND MAPPING AGENCY.

(a) AUTHORITY TO CARRY OUT TRAINING PROGRAM.—Subchapter III of chapter 22 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 462. Undergraduate training program

''(a) AUTHORITY TO CARRY OUT PROGRAM.—The Secretary of Defense may authorize the Director of the National Imagery and Mapping Agency to establish an undergraduate training program under which civilian employees of the National Imagery and Mapping Agency may be assigned as students at accredited professional, technical, and other institutions of higher learning for training at the undergraduate level in skills critical to effective performance of the mission of the National Imagery and Mapping Agency. Such training may lead to the award of a baccalaureate degree.

''(b) PURPOSE.—The purpose of the program authorized by subsection (a) is to facilitate the recruitment of individuals, particularly minority high school students, with a demonstrated capability to develop skills critical to the mission of the National Imagery and Mapping Agency, including skills in mathematics, computer science, engineering, and foreign languages.

''(c) REQUIREMENTS.—(1) To be eligible for assignment under subsection (a), an employee of the National Imagery and Mapping Agency must agree in writing—

''(A) to continue in the service of the National Imagery and Mapping Agency for the period of the assignment and to complete the educational course of training for which the employee is assigned;

''(B) to continue in the service of the National Imagery and Mapping Agency following completion of the assignment for a period of one-and-a-half years for each year of the assignment or part thereof;

''(C) to reimburse the United States for the total cost of education (excluding the employee's pay and allowances) provided under this section to the employee if, before the employee's completing the educational course of training for which the employee is assigned, the assignment or the employee's employment with the National Imagery and Mapping Agency is terminated either by the National Imagery and Mapping Agency due to misconduct by the employee or by the employee voluntarily; and

''(D) to reimburse the United States if, after completing the educational course of training for which the employee is assigned, the employee's employment with the National Imagery and Mapping Agency is terminated either by the National Imagery and Mapping Agency due to misconduct by the employee or by the employee voluntarily, before the employee's completion of the service obligation period described in subparagraph (B), in an amount that bears the same ratio to the total cost of the education (excluding the employee's pay and allowances) provided to the employee as the unserved portion of the service obligation period described in subparagraph (B) bears to the total period of the service obligation described in subparagraph (B).

''(2) Subject to paragraph (3), the obligation to reimburse the United States under an agreement described in paragraph (1), including interest due on such obligation, is for all purposes a debt owing the United States.

''(3)(A) A discharge in bankruptcy under title 11, United States Code, shall not release a person from an obligation to reimburse the United States required under an agreement described in paragraph (1) if the final decree of the discharge in bankruptcy is issued within five years after the last day of the combined period of service obligation described in subparagraphs (A) and (B) of paragraph (1).

''(B) The Secretary of Defense may release a person, in whole or in part, from the obligation to reimburse the United States under an agreement described in paragraph (1) when, in his discretion, the Secretary determines that equity or the interests of the United States so require.

''(C) The Secretary of Defense shall permit an employee assigned under this section who, before commencing a second academic year of such assignment, voluntarily terminates the assignment or the employee's employment with the National Imagery and Mapping Agency, to satisfy his obligation under an agreement described in paragraph (1) by reimbursing the United States according to a schedule of monthly payments which results in completion of reimbursement by a date five years after the date of termination of the assignment or employment or earlier at the option of the employee.

''(d) DISCLOSURE REQUIRED.—(1) When an employee is assigned under this section to an institution, the Secretary shall disclose to the institution to which the employee is assigned that the National Imagery and Mapping Agency employs the employee and that the National Imagery and Mapping Agency funds the employee's education.

''(2) Efforts by the Secretary to recruit individuals at educational institutions for participation in the undergraduate training program established by this section shall be made openly and according to the common practices of universities and employers recruiting at such institutions.

''(e) APPROPRIATION OF FUNDS REQUIRED.—The Secretary may pay, directly or by reimbursement to employees, expenses incident

to assignments under subsection (a), in any fiscal year only to the extent that appropriated funds are available for such purpose.

''(f) INAPPLICABILITY OF CERTAIN LAWS.—Chapter 41 of title 5 and subsections (a) and (b) of section 3324 of title 31 shall not apply with respect to this section.

''(g) REGULATIONS.—The Secretary of Defense may prescribe such regulations as may be necessary to implement this section.''.

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

''462. Undergraduate training program.''.

SEC. 1102. PILOT PROGRAM FOR PAYMENT OF RETRAINING EXPENSES.

(a) AUTHORITY TO CARRY OUT PILOT PROGRAM.—(1) The Secretary of Defense may establish a pilot program to facilitate the reemployment of eligible employees of the Department of Defense who are involuntarily separated due to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station. Under the pilot program, the Secretary may pay retraining incentives to encourage non-Federal employers to hire and retain such eligible employees.

(2) Under the pilot program, the Secretary may enter into an agreement with a non-Federal employer under which the employer agrees—

(A) to employ an eligible employee for at least 12 months at a salary that is mutually agreeable to the employer and the eligible employee; and

(B) to certify to the Secretary the amount of costs incurred by the employer for any necessary training (as defined by the Secretary) provided to such eligible employee in connection with the employment.

(3) The Secretary may pay a retraining incentive to the non-Federal employer upon the employee's completion of 12 months of continuous employment with that employer. The Secretary shall determine the amount of the incentive, except that in no event may such amount exceed the amount certified with respect to such eligible employee under paragraph (2)(A), or $10,000, whichever is greater.

(4) In a case in which an eligible employee does not remain employed by the non-Federal employer for at least 12 months, the Secretary may pay to the employer a prorated amount of what would have been the full retraining incentive if the eligible employee had remained employed for such 12-month period.

(b) ELIGIBLE EMPLOYEES.—For purposes of this section, an eligible employee is an employee of the Department of Defense, serving under an appointment without time limitation, who has been employed by the Department for a continuous period of at least 12 months and who has been given notice of separation pursuant to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station, except that such term does not include—

(1) a reemployed annuitant under the retirement systems described in subchapter III of chapter 83 of title 5, United States Code, or chapter 84 of such title, or another retirement system for employees of the Federal Government;

(2) an employee who, upon separation from Federal service, is eligible for an immediate annuity under subchapter III of chapter 83 of such title, or subchapter II of chapter 84 of such title; or

(3) an employee who is eligible for disability retirement under any of the retirement systems referred to in paragraph (1).

(c) DURATION.—No incentive may be paid under the pilot program for training commenced after September 30, 2005.

(d) DEFINITIONS.—In this section:

(1) The term ''non-Federal employer'' means an employer that is not an Executive agency, as defined in section 105 of title 5, United States Code, or an entity in the legislative or judicial branch of the Federal Government.

(2) The term ''reduction in force'' has the meaning of that term as used in chapter 35 of such title 5.

(3) The term ''realignment'' has the meaning given that term in section 2910 of the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

SEC. 1103. PAYMENT OF EXPENSES TO OBTAIN PROFESSIONAL CREDENTIALS.

(a) IN GENERAL.—Chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

''§ 5757. Payment of expenses to obtain professional credentials

''(a) An agency may use appropriated funds or funds otherwise available to the agency to pay for—

''(1) expenses for employees to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification; and

''(2) examinations to obtain such credentials.

''(b) The authority under subsection (a) may not be exercised on behalf of any employee occupying or seeking to qualify for appointment to any position that is excepted from the competitive service because of the confidential, policy-determining, policy-making, or policy-advocating character of the position.''.

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

''5757. Payment of expenses to obtain professional credentials.''.

SEC. 1104. RETIREMENT PORTABILITY ELECTIONS FOR CERTAIN DEPARTMENT OF DEFENSE AND COAST GUARD EMPLOYEES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8347(q) of title 5, United States Code, is amended—

(1) in paragraph (1)(B), by striking ''has 5 or more years of civilian service creditable under'' and inserting ''is employed subject to''; and

(2) in paragraph (2)(B)—

(A) by striking ''vested''; and

(B) by striking '', as the term 'vested participant' is defined by such system''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8461(n) of such title is amended—

(1) in paragraph (1)(B), by striking ''has 5 or more years of civilian service creditable under'' and inserting ''is employed subject to''; and

(2) in paragraph (2)(B)—

(A) by striking ''vested''; and

(B) by striking '', as the term 'vested participant' is defined by such system''.

SEC. 1105. REMOVAL OF REQUIREMENT THAT GRANTING CIVIL SERVICE COMPENSATORY TIME BE BASED ON AMOUNT OF IRREGULAR OR OCCASIONAL OVERTIME WORK.

Section 5543 of title 5, United States Code, is amended by striking ''irregular or occasional'' in each place such words appear.

SEC. 1106. APPLICABILITY OF CERTAIN LAWS TO CERTAIN INDIVIDUALS ASSIGNED TO WORK IN THE FEDERAL GOVERNMENT.

Section 3374(c)(2) of title 5, United States Code, is amended by inserting ''the Ethics in Government Act of 1978, section 1043 of the Internal Revenue Code of 1986, section 27 of the Office of Federal Procurement Policy Act,'' after ''chapter 73 of this title,''.

SEC. 1107. LIMITATION ON PREMIUM PAY.

Section 5547 of title 5, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

''(a) An employee may be paid premium pay under sections 5542, 5545 (a), (b), and (c), 5545a, and 5546 (a) and (b) of this title only to the extent that the aggregate of such employee's basic pay and premium pay under those provisions would, in any calendar year, exceed the maximum rate payable for GS–15 in effect at the end of such calendar year.

''(b) Subsection (a) shall not apply to any employee of the Federal Aviation Administration or the Department of Defense who is paid premium pay under section 5546a of this title.''; and

(2) in subsection (c)—

(A) in paragraph (1), by striking ''Subsections (a) and (b)'' and inserting ''Subsection (a)''; and

(B) in paragraph (2), by striking ''pay period'' and inserting ''calendar year''.

SEC. 1108. USE OF COMMON OCCUPATIONAL AND HEALTH STANDARDS AS A BASIS FOR DIFFERENTIAL PAYMENTS MADE AS A CONSEQUENCE OF EXPOSURE TO ASBESTOS.

(a) PREVAILING RATE SYSTEMS.—Section 5343(c)(4) of title 5, United States Code, is amended by inserting before the semicolon the following: ''(and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970)''.

(b) GENERAL SCHEDULE PAY RATES.—The first sentence of section 5545(d) of such title is amended by inserting before the period the following: ''(and for any hardship or hazard related to asbestos, such differentials shall be determined by applying occupational safety and health standards consistent with the permissible exposure limit promulgated by the Secretary of Labor under the Occupational Safety and Health Act of 1970)''.

(c) APPLICABILITY.—Any administrative or judicial determination made after the date of the enactment of this Act concerning differential back payments related to asbestos under section 5343(c)(4) or 5545(d) of such title shall be based on the occupational safety and health standards described in such section, respectively.

SEC. 1109. AUTHORITY FOR DESIGNATED CIVILIAN EMPLOYEES ABROAD TO ACT AS A NOTARY.

(a) IN GENERAL.—Paragraph (4) of section 1044a(b) of title 10, United States Code, is amended—

(1) by inserting ''and, when outside the United States, all civilian employees of the Department of Defense,'' after ''duty status,''; and

(2) by inserting ''or the Department of Defense'' before ''or by statute''.

(b) CLARIFICATION OF STATUS OF CIVILIAN ATTORNEYS ACTING AS A NOTARY.—Paragraph (2) of such section is amended by striking ''legal assistance officers'' and inserting ''legal assistance attorneys''.

SEC. 1110. "MONRONEY AMENDMENT" RESTORED TO ITS PRIOR FORM.

Paragraph (2) of section 5343(d) of title 5, United States Code, is amended to read as such paragraph last read before the enactment of section 1242 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 735).

TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

SEC. 1201. CLARIFICATION OF AUTHORITY TO FURNISH NUCLEAR TEST MONITORING EQUIPMENT TO FOREIGN GOVERNMENTS.

Section 2565 of title 10, United States Code, as redesignated by section 1047(a)(25), is amended—

(1) in subsection (a)—

(A) by striking ''CONVEY OR'' in the subsection heading and inserting ''TRANSFER TITLE TO OR OTHERWISE'';

(B) in paragraph (1)—

(i) by striking ''convey'' and inserting ''transfer title''; and

(ii) by striking ''and'' after ''equipment;'';

(C) by striking the period at the end of paragraph (2) and inserting ''; and''; and

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

''(3) inspect, test, maintain, repair, or replace any such equipment.''; and

(2) in subsection (b)—

(A) by striking ''conveyed or otherwise provided'' and inserting ''provided to a foreign government'';

(B) by inserting ''and'' at the end of paragraph (1);

(C) by striking ''; and'' at the end of paragraph (2) and inserting a period; and

(D) by striking paragraph (3).

SEC. 1202. ACQUISITION OF LOGISTICAL SUPPORT FOR SECURITY FORCES.

Section 5 of the Multinational Force and Observers Participation Resolution (22 U.S.C. 3424) is amended by adding at the end the following new subsection:

''(d)(1) The United States may use contractors to provide logistical support to the Multinational Force and Observers under this section in lieu of providing such support through a logistical support unit comprised of members of the United States Armed Forces.

''(2) Notwithstanding subsections (a) and (b) and section 7(b), support by a contractor under this subsection may be provided without reimbursement, whenever the President determines that such action enhances or supports the national security interests of the United States.''.

SEC. 1203. REPORT ON THE SALE AND TRANSFER OF MILITARY HARDWARE, EXPERTISE, AND TECHNOLOGY FROM STATES OF THE FORMER SOVIET UNION TO THE PEOPLE'S REPUBLIC OF CHINA.

Section 1202 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 781; 10 U.S.C. 113 note) is amended by adding at the end the following new subsection:

''(d) REPORT ON SALES AND TRANSFERS FROM STATES OF THE FORMER SOVIET UNION TO CHINA.—(1) The report to be submitted under this section not later than March 1, 2002, shall include in a separate section a report describing the sales and transfer of military hardware, expertise, and technology from states of the former Soviet Union to the People's Republic of China. The report shall set forth the history of such sales and transfers since 1990, forecast possible future sales and transfers, and address the implications of those sales and transfers for the security of the United States and its friends and allies in Asia.

''(2) The report shall include analysis and forecasts of the following matters related to military cooperation between states of the former Soviet Union and the People's Republic of China:

''(A) The policy of each of those states with respect to arms sales to, and military cooperation with, the People's Republic of China.

''(B) Any laws or regulations of those states that could prohibit or limit such sales or cooperation.

''(C) The extent in each of those states of government knowledge, cooperation, or condoning of sales or transfers of military hardware, expertise, or technology to the People's Republic of China.

''(D) An itemization of sales or transfers of military hardware, expertise, or technology from any of those states to the People's Republic of China that have taken place since 1990, with a particular focus on command, control, communications, and intelligence systems.

''(E) A description of any sale or transfer of military hardware, expertise, or technology from any of those states to the People's Republic of China that is currently under negotiation or contemplation through the end of 2005.

''(F) Identification of Chinese defense industries in which technicians from states of the former Soviet Union are working and of defense industries of those states in which Chinese technicians are working and a description in each case of the extent and the nature of the work performed by such technicians.

''(G) The extent of assistance by any of those states to key research and development programs of China, including programs for development of weapons of mass destruction and delivery vehicles for such weapons, programs for development of advanced conventional weapons, and programs for development of unconventional weapons.

''(H) The extent of assistance by any of those states to information warfare or electronic warfare programs of China.

''(I) The extent of assistance by any of those states to manned and unmanned space operations of China.

''(J) The extent to which arms sales by any of those states to the People's Republic of China are a source of funds for military research and development or procurement programs in the selling state.

''(3) The report under paragraph (1) shall include, with respect to each area of analysis and forecasts specified in paragraph (2)—

''(A) an assessment of the military effects of such sales or transfers to entities in the People's Republic of China;

''(B) an assessment of the ability of the People's Liberation Army to assimilate such sales or transfers, mass produce new equipment, or develop doctrine for use; and

''(C) the potential threat of developments related to such effects on the security interests of the United States and its friends and allies in Asia.''.

SEC. 1204. LIMITATION ON FUNDING FOR JOINT DATA EXCHANGE CENTER.

(a) LIMITATION.—Funds made available to the Department of Defense for fiscal year 2002 may not be obligated or expended for any activity associated with the Joint Data Exchange Center in Moscow, Russia, 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 Authorization 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. 1205. EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE UNDER WEAPONS OF MASS DESTRUCTION ACT FOR SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2002.—The total amount of the assistance for fiscal year 2002 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. Such assistance may be provided for fiscal year 2002 only to support activities of an organization established for the purpose of (or otherwise given the mission of providing) a comprehensive accounting for all items, facilities, and capabilities in Iraq related to weapons of mass destruction.

(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 ''2001'' and inserting ''2002''.

(c) CHANGE OF QUARTERLY REPORT REQUIREMENT TO ANNUAL REPORT.—(1) Subsection (e)(1) of such section is amended—

(A) by striking ''quarter of a'' in the first sentence; and

(B) by striking ''(for the preceding quarter and cumulatively)'' and inserting ''for the preceding fiscal year''.

(2) The amendments made by subsection (a) shall take effect on November 1, 2001, or the date of the enactment of this Act, whichever is later.

SEC. 1206. REPEAL OF REQUIREMENT FOR REPORTING TO CONGRESS ON MILITARY DEPLOYMENTS TO HAITI.

Section 1232(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 788) is repealed.

SEC. 1207. REPORT BY COMPTROLLER GENERAL ON PROVISION OF DEFENSE ARTICLES, SERVICES, AND MILITARY EDUCATION AND TRAINING TO FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS.

(a) STUDY.—The Comptroller General shall conduct a study of the following:

(1) The benefits derived by each foreign country or international organization from the receipt of defense articles, defense services, or military education and training provided after December 31, 1989, pursuant to the drawdown of such articles, services, or education and training from the stocks of the Department of Defense under section 506, 516, or 552 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318, 2321j, or 2348a) or any other provision of law.

(2) Any benefits derived by the United States from the provision of defense articles, defense services, and military education and training described in paragraph (1).

(3) The affect on the readiness of the Armed Forces as a result of the provision by the United States of defense articles, defense services, and military education and training described in paragraph (1).

(4) The cost to the Department of Defense with respect to the provision of defense articles, defense services, and military education and training described in paragraph (1).

(b) REPORTS.—(1) Not later than April 15, 2002, the Comptroller General shall submit to Congress an interim report containing the results to that date of the study conducted under subsection (a).

(2) Not later than August 1, 2002, the Comptroller General shall submit to Congress a final report containing the results of the study conducted under subsection (a).

SEC. 1208. LIMITATION ON NUMBER OF MILITARY PERSONNEL IN COLOMBIA.

(a) LIMITATION.—None of the funds available to the Department of Defense may be used to support or maintain more than 500 members of the Armed Forces on duty in the Republic of Colombia at any time.

(b) EXCEPTIONS.—There shall be excluded from counting for the purposes of the limitation in subsection (a) the following:

(1) A member of the Armed Forces in the Republic of Colombia for the purpose of rescuing or retrieving United States military or civilian Government personnel, except that the period for which such a member may be so excluded may not exceed 30 days unless expressly authorized by law.

(2) A member of the Armed Forces assigned to the United States Embassy in Colombia as an attaché, as a member of the security assistance office, or as a member of the Marine Corps security contingent.

(3) A member of the Armed Forces in Colombia to participate in relief efforts in responding to a natural disaster.

(4) Nonoperational transient military personnel.

SEC. 1209. AUTHORITY FOR EMPLOYEES OF FEDERAL GOVERNMENT CONTRACTORS TO ACCOMPANY CHEMICAL WEAPONS INSPECTION TEAMS AT GOVERNMENT-OWNED FACILITIES.

(a) AUTHORITY TO CONDUCT INSPECTIONS.—Section 303 of the Chemical Weapons Convention Implementation Act of 1998 (as contained in Public Law 105–277; 112 Stat. 2681–873; 22 U.S.C. 6723) is amended in subsection (b)(2) by inserting ''(and in the case of inspection of Federal Government-owned facilities, such designation may include employees of a contractor with the Federal Government)'' after ''Federal Government''.

(b) PROCEDURES FOR INSPECTIONS.—Section 304 of such Act (22 U.S.C. 6724) is amended in subsection (c) by inserting ''or contractor with the Federal Government'' after ''Federal Government''.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH 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 2002 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 2002 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 $403,000,000 authorized to be appropriated to the Department of Defense for fiscal year 2002 in section 301(23) for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $133,400,000.

(2) For strategic nuclear arms elimination in Ukraine, $51,500,000.

(3) For nuclear weapons transportation security in Russia, $9,500,000.

(4) For nuclear weapons storage security in Russia, $56,000,000.

(5) For biological weapons proliferation prevention activities in the former Soviet Union, $17,000,000.

(6) For activities designated as Other Assessments/Administrative Support, $13,200,000.

(7) For defense and military contacts, $18,700,000.

(8) For activities related to the construction of a chemical weapons destruction facility in Russia, $35,000,000.

(9) For elimination of chemical weapons production facilities in Russia, $15,000,000.

(10) For weapons of mass destruction infrastructure elimination activities in Kazakhstan, $6,000,000.

(11) For weapons of mass destruction infrastructure elimination activities in Ukraine, $6,000,000.

(12) For activities to assist Russia in the elimination of plutonium production reactors, $41,700,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2002 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (12) 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 2002 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) 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 2002 for a purpose listed in any of the paragraphs in subsection (a) in excess of the amount specifically authorized for such 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 the purposes stated in subsection (a)(3) or any of paragraphs (5) through (12) of subsection (a) in excess of 115 percent of the amount specifically authorized for such purposes.

SEC. 1303. PROHIBITION AGAINST USE OF FUNDS UNTIL SUBMISSION OF REPORTS.

No fiscal year 2002 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 2001 under section 1308(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–341); and

(2) the multiyear plan required to be submitted for fiscal year 2001 under section 1308(h) of such Act.

SEC. 1304. REPORT ON USE OF REVENUE GENERATED BY ACTIVITIES CARRIED OUT UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report describing how the Secretary plans to monitor the use of revenue generated by activities carried out under Cooperative Threat Reduction programs in Russia and Ukraine.

SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SECOND WING OF FISSILE MATERIAL STORAGE FACILITY.

(a) PROHIBITION.—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.

(b) CONFORMING AMENDMENT.—Section 1304 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–341) is amended to read as follows:

''SEC. 1304. LIMITATION ON USE OF FUNDS FOR FISSILE MATERIAL STORAGE FACILITY.

Out of funds authorized to be appropriated for Cooperative Threat Reduction programs for fiscal year 2001 or any other fiscal year, not more than $412,600,000 may be used for planning, design, or construction of the first wing for the storage facility for Russian fissile material referred to in section 1302(a)(5).''.

SEC. 1306. PROHIBITION AGAINST USE OF FUNDS FOR CONSTRUCTION OR REFURBISHMENT OF CERTAIN FOSSIL FUEL ENERGY PLANTS.

Section 1307 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–341) is amended—

(1) by striking the heading and inserting the following new heading:

''SEC. 1307. PROHIBITION AGAINST USE OF FUNDS FOR CONSTRUCTION OR REFURBISHMENT OF FOSSIL FUEL ENERGY PLANTS; REPORT.'';

and

(2) by striking subsection (a) and inserting the following new subsection:

''(a) PROHIBITION.—No funds appropriated for Cooperative Threat Reduction programs for any fiscal year may be used for the construction or refurbishment of a fossil fuel energy plant intended to provide power to local communities that receive power from nuclear energy plants that produce plutonium.''.

SEC. 1307. REPORTS ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Section 1308(c)(4) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted in Public Law 106–398; 114 Stat. 1654A–342) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking ''audits'' and all that follows through ''conducted'' and inserting ''means (including program management, audits, examinations, and other means) used''; and

(B) by striking ''and that such assistance is being used for its intended purpose'' and inserting '', that such assistance is being used for its intended purpose, and that such assistance is being used efficiently and effectively'';

(2) in subparagraph (C), by inserting ''and an assessment of whether the assistance being provided is being used effectively and efficiently'' before the semicolon; and

(3) in subparagraph (D), by striking ''audits, examinations, and other''.

SEC. 1308. REPORT ON RESPONSIBILITY FOR CARRYING OUT COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than March 15, 2002, the Secretary of Defense shall submit to Congress a report describing—

(1) the rationale for executing Cooperative Threat Reduction programs under the auspices of the Department of Defense and the justification for maintaining responsibility for any particular project carried out through Cooperative Threat Reduction programs with the Department of Defense;

(2) options for transferring responsibility for carrying out Cooperative Threat Reduction programs to an executive agency (or agencies) other than the Department of Defense, if appropriate; and

(3) how such a transfer might be carried out.

SEC. 1309. CHEMICAL WEAPONS DESTRUCTION.

Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 794) is amended by inserting before the period at the end the following: ''until the Secretary of Defense submits to Congress a certification that there has been—

''(1) full and accurate disclosure by Russia of the size of its existing chemical weapons stockpile;

''(2) a demonstrated annual commitment by Russia to allocate at least $25,000,000 to chemical weapons elimination;

''(3) development by Russia of a practical plan for destroying its stockpile of nerve agents;

''(4) enactment of a law by Russia that provides for the elimination of all nerve agents at a single site; and

''(5) an agreement by Russia to destroy its chemical weapons production facilities at Volgograd and Novocheboksark''.

TITLE XIV—DEFENSE SPACE REORGANIZATION

SEC. 1401. SHORT TITLE.

This title may be cited as the ''Defense Space Reorganization Act of 2001''.

SEC. 1402. AUTHORITY TO ESTABLISH POSITION OF UNDER SECRETARY OF DEFENSE FOR SPACE, INTELLIGENCE, AND INFORMATION.

(a) AUTHORITY TO ESTABLISH POSITION.—The President may establish in the Department of Defense the position of Under Secretary of Defense for Space, Intelligence, and Information. If that position is so established, the Under Secretary of Defense for Space, Intelligence, and Information shall perform duties and exercise powers as set forth in section 137 of title 10, United States Code, as added by subsection (e).

(b) DEADLINE FOR EXERCISE OF AUTHORITY.—The authority provided in subsection (a) may not be exercised after December 31, 2003.

(c) NOTICE OF EXERCISE OF AUTHORITY.—(1) If the authority provided in subsection (a) is exercised, the President shall immediately submit to Congress notification in writing of the establishment of the position of Under Secretary of Defense for Space, Intelligence, and Information, together with the date as of which the position is established. If the President declines to exercise the authority provided in subsection (a), the President shall, before the date specified in subsection (b), submit to Congress a report on how the President has implemented the recommendations of the report of the Space Commission with respect to the Department of Defense.

(2) For purposes of paragraph (1), the term ''report of the Space Commission'' means the report of the Commission To Assess United States National Security Space Management and Organization, dated January 11, 2001, and submitted to Congress under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

(d) CONTINGENT ENACTMENT OF U.S. CODE AMENDMENTS.—If the position of Under Secretary of Defense for Space, Intelligence, and Information is established under the authority provided in subsection (a), then the amendments set forth in subsections (e) and (f) shall be executed, effective as of the date specified in the notice submitted under the first sentence of subsection (c)(1). Otherwise, those amendments shall not be executed.

(e) APPOINTMENT, DUTIES, ETC., OF UNDER SECRETARY.—(1) Subject to subsection (d), chapter 4 of title 10, United States Code, is amended—

(A) by redesignating section 137 as section 139a and transferring such section (as so redesignated) within such chapter so as to appear after section 139; and

(B) by inserting after section 136 the following new section 137:

''§ 137. Under Secretary of Defense for Space, Intelligence, and Information

''(a) There is an Under Secretary of Defense for Space, Intelligence, and Information, 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 Space, Intelligence, and Information shall perform such duties and exercise such powers relating to the space, intelligence, and information programs and activities of the Department of Defense as the Secretary of Defense may prescribe.

''(c) The Secretary of Defense shall designate the Under Secretary of Defense for Space, Intelligence, and Information as the Chief Information Officer of the Department of Defense under section 3506(a)(2)(B) of title 44.

''(d) The Under Secretary of Defense for Space, Intelligence, and Information takes precedence in the Department of Defense after the Under Secretary of Defense for Personnel and Readiness.''.

(2) Subject to subsection (d), section 131(b) of that title is amended—

(A) by redesignating paragraphs (6) through (11) as paragraphs (7) through (12), respectively; and

(B) by inserting after paragraph (5) the following new paragraph (6):

''(6) The Under Secretary of Defense for Space, Intelligence, and Information.''.

(3) Subject to subsection (d), 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 new item:

''137. Under Secretary of Defense for Space, Intelligence, and Information.'';

and

(B) by inserting after the item relating to section 139 the following new item:

''139a. Director of Defense Research and Engineering.''.

(f) ASSISTANT SECRETARIES OF DEFENSE.—Subject to subsection (d), section 138 of such title is amended—

(1) in subsection (a), by striking ''nine'' and inserting ''eleven''; and

(2) in subsection (b), by inserting after paragraph (2) the following new paragraph:

''(3) Not more than three of the Assistant Secretaries may be assigned duties under the authority of the Under Secretary of Defense for Space, Intelligence, and Information and shall report to that Under Secretary.''.

(g) REPORT.—Not later than 30 days before exercising the authority provided in subsection (a), the President shall submit to Congress a report on the proposed organization of the office of the Under Secretary of Defense for Space, Intelligence, and Information. If such a report has not been submitted as of April 15, 2002, the President shall submit to Congress a report, not later than that date, setting forth the President's view as of that date of the desirability of establishing the position of Under Secretary of Defense for Space, Intelligence, and Information in the Department of Defense.

SEC. 1403. AUTHORITY TO DESIGNATE UNDER SECRETARY OF THE AIR FORCE AS ACQUISITION EXECUTIVE FOR SPACE OF THE DEPARTMENT OF DEFENSE.

(a) EXECUTIVE AGENT.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter:

''CHAPTER 135—SPACE PROGRAMS

''Sec.
''2271. Executive agent.

''§ 2271. Executive agent

''(a) SECRETARY OF THE AIR FORCE.—The Secretary of the Air Force may be designated as the executive agent of the Department of Defense—

''(1) for the planning of the acquisition programs, projects, and activities of the Department that relate to space; and

''(2) for the execution of those programs, projects, and activities.

''(b) ACQUISITION EXECUTIVE.—The Secretary may designate the Under Secretary of the Air Force as the acquisition executive of the Air Force for the programs, projects, and activities referred to in subsection (a).''.

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of such subtitle and the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 134 the following new item:

''135. Space Programs ..... 2271''.

SEC. 1404. MAJOR FORCE PROGRAM CATEGORY FOR SPACE PROGRAMS.

(a) REQUIREMENT.—The Secretary of Defense may create a major force program category for space programs for purposes of the future-years defense program under section 221 of title 10, United States Code.

(b) COMMENCEMENT.—If the category under subsection (a) is created, such category shall be included in each future-years defense program submitted to Congress under section 221 of title 10, United States Code, in fiscal years after fiscal year 2002.

SEC. 1405. COMPTROLLER GENERAL ASSESSMENT OF IMPLEMENTATION OF RECOMMENDATIONS OF SPACE COMMISSION.

(a) ASSESSMENT.—(1) The Comptroller General shall carry out an assessment through February 15, 2003, of the actions taken by the Secretary of Defense in implementing the recommendations in the report of the Space Commission that are applicable to the Department of Defense.

(2) For purposes of paragraph (1), the term ''report of the Space Commission'' means the report of the Commission To Assess United States National Security Space Management and Organization, dated January 11, 2001, and submitted to Congress under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

(b) REPORTS.—Not later than February 15 of each of 2002 and 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 assessment carried out under subsection (a). Each report shall set forth the results of the assessment as of the date of such report.

SEC. 1406. COMMANDER OF AIR FORCE SPACE COMMAND.

(a) IN GENERAL.—Chapter 845 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8584. Commander of Air Force Space Command

''The Secretary of Defense may require that the officer serving as commander of the Air Force Space Command not serve simultaneously as commander of the United States Space Command (or any successor combatant command with responsibility for space) or as commander of the United States element of the North American Air Defense Command.''.

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

''8584. Commander of Air Force Space Command.''.

SEC. 1407. AUTHORITY TO ESTABLISH SEPARATE CAREER FIELD IN THE AIR FORCE FOR SPACE.

The Secretary of the Air Force, acting through the Under Secretary of the Air Force, may establish and implement policies and procedures to develop a cadre of technically competent officers with the capability to develop space doctrine, concepts of space operations, and management of space systems for the Air Force.

SEC. 1408. RELATIONSHIP TO AUTHORITIES AND RESPONSIBILITIES OF DIRECTOR OF CENTRAL INTELLIGENCE.

Nothing in this title or the amendments made by this title shall modify, alter, or supersede the authorities and responsibilities of the Director of Central Intelligence.

TITLE XV—ACTIVITIES TO COMBAT TERRORISM

Subtitle A—Increased Funding to Combat Terrorism

SEC. 1501. INCREASED FUNDING.

(a) IN GENERAL.—The amount provided in section 301(5) for Operation and Maintenance, Defense-wide Activities, is hereby increased by $400,000,000, to be available as follows:

(1) INTELLIGENCE PROGRAMS.—For increased situational awareness and upgrades to intelligence programs to enhance United States security posture, $100,000,000.

(2) ANTI-TERRORISM INITIATIVES.—For enhanced anti-terrorism and force protection initiatives to reduce vulnerabilities at United States military installations and facilities in the United States and worldwide, $150,000,000.

(3) COUNTER-TERRORISM INITIATIVES.—For offensive counter-terrorism initiatives, $100,000,000.

(4) CONSEQUENCE MANAGEMENT ACTIVITIES.—For consequence management activities, $50,000,000.

(b) TRANSFER AUTHORITY.—The amounts specified in subsection (a) are available for transfer to other current accounts of the Department of Defense, as determined by the Secretary of Defense.

(c) OFFSETTING REDUCTIONS.—

(1) The amount provided in section 201(4) for Research, Development, Test, and Evaluation, Defense-Wide is hereby reduced by $265,000,000, to be derived from amounts for the Ballistic Missile Defense Organization, of which—

(A) $145,000,000 shall be derived from the Mid-Course Defense Segment program element (PE603882C); and

(B) $120,000,000 shall be derived from the Boost Phase Defense Segment program element (PE603883C) for space-based activities.

(2) The amount provided in section 301(5) for Operation and Maintenance, Defense-wide Activities, is hereby reduced by $135,000,000, to be derived from amounts for consulting services.

SEC. 1502. TREATMENT OF TRANSFERRED AMOUNTS.

Funds transferred under authority of section 1501(a) shall be merged with, and shall be available for the same time period as, the appropriations to which transferred. The transfer authority under that section is in addition to the transfer authority provided by section 1001.

Subtitle B—Policy Matters Relating to Combating Terrorism

SEC. 1511. ASSESSMENT OF DEPARTMENT OF DEFENSE ABILITY TO RESPOND TO TERRORIST ATTACKS.

(a) ASSESSMENT.—The Secretary of Defense shall conduct an assessment of the ability of the Department of Defense to provide support for the consequence management activities of other Federal, State, and local agencies, directly taking into account the terrorist attacks on the United States on September 11, 2001, and the changed situation regarding terrorism.

(b) RECOMMENDATIONS.—The Secretary of Defense shall submit to the President and Congress a report providing recommendations for ways to enhance the ability of the Department of Defense to provide support described in subsection (a). The report shall address the recommendations made by the Vice President in his report to the President on the development of a coordinated national effort to improve national preparedness, including efforts to combat terrorism, as directed by the President in May 2001. The report shall be submitted not later than 60 days after the date on which the Vice President submits to the President the report under the preceding sentence.

SEC. 1512. REPORT ON DEPARTMENT OF DEFENSE ABILITY TO PROTECT THE UNITED STATES FROM AIRBORNE THREATS.

Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the ability of the Department of Defense to protect the United States from airborne threats, including threats originating from within the borders of the United States. The report shall identify improvements that can be made to enhance the security of the American people against these threats and shall recommend actions, including legislative proposals, designed to address and overcome existing vulnerabilities.

SEC. 1513. ESTABLISHMENT OF COMBATING TERRORISM AS A NATIONAL SECURITY MISSION.

Section 108(b)(2) of the National Security Act of 1947 (50 U.S.C. 404a(b)(2)) is amended by inserting '', including acts of terrorism,'' after ''aggression''.

SEC. 1514. DEPARTMENT OF DEFENSE COORDINATION WITH FEMA AND FBI.

The Secretary of Defense shall seek an agreement with the Director of the Federal Bureau of Investigation and the Director of Federal Emergency Management Agency that clarifies the roles of Department of Defense Weapons of Mass Destruction Civil Support Teams in relation to both agencies with respect to coordination of the roles and missions of those teams in support of crisis management and consequence management efforts.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE; DEFINITION.

(a) SHORT TITLE.—This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 2002''.

(b) DEFINITION OF FISCAL YEAR 2001 DEFENSE AUTHORIZATION ACT.—In this division, the term ''Spence Act'' means the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, as enacted into law by Public Law 106–398 (114 Stat. 1654).

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	$5,150,000
	Fort Rucker	$11,400,000
	Redstone Arsenal	$7,200,000
Alaska	Fort Richardson	$97,000,000
	Fort Wainwright	$27,200,000
Arizona	Fort Huachuca	$6,100,000
	Yuma Proving Ground	$3,100,000
California	Defense Language Institute	$5,900,000
	Fort Irwin	$23,000,000
Colorado	Fort Carson	$66,000,000
District of Columbia	Fort McNair	$11,600,000
Georgia	Fort Benning	$23,900,000
	Fort Gillem	$43,600,000
	Fort Gordon	$34,000,000
	Fort Stewart/Hunter Army Air Field	$39,800,000
Hawaii	Navy Public Works Center, Pearl Harbor	$11,800,000
	Pohakuloa Training Facility	$5,100,000
	Wheeler Army Air Field	$50,000,000
Kansas	Fort Riley	$10,900,000
Kentucky	Fort Campbell	$88,900,000

Army: Inside the United States—Continued

State	Installation or location	Amount
Louisiana	Fort Polk	$21,200,000
Maryland	Aberdeen Proving Ground	$58,300,000
	Fort Meade	$5,800,000
	Fort Leonard Wood	$12,250,000
New Jersey	Fort Monmouth	$20,000,000
	Picatinny Arsenal	$10,200,000
New Mexico	White Sands Missile Range	$7,600,000
New York	Fort Drum	$59,350,000
North Carolina	Fort Bragg	$21,300,000
	Sunny Point Military Ocean Terminal	$11,400,000
Oklahoma	Fort Sill	$5,100,000
South Carolina	Fort Jackson	$3,650,000
Texas	Corpus Christi Army Depot	$10,400,000
	Fort Sam Houston	$9,650,000
	Fort Bliss	$5,000,000
	Fort Hood	$104,200,000
Virginia	Fort Belvoir	$35,950,000
	Fort Eustis	$24,750,000
	Fort Lee	$23,900,000
Washington	Fort Lewis	$238,200,000
	Total:	$1,300,710,000

(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 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
Germany	Area Support Group, Bamberg	$36,000,000
	Area Support Group, Darmstadt	$13,500,000
	Baumholder	$9,000,000
	Hanau	$7,200,000
	Heidelberg	$15,300,000
	Mannheim	$16,000,000
	Wiesbaden Air Base	$26,300,000
Korea	Camp Carroll	$16,593,000
	Camp Casey	$8,500,000
	Camp Hovey	$35,750,000
	Camp Humphreys	$14,500,000
	Camp Jackson	$6,100,000
	Camp Stanley	$28,000,000
Kwajalein	Kwajalein Atoll	$11,000,000
	Total:	$243,743,000

(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	Classified Location	$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) 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	32 Units	$12,000,000
Arizona	Fort Huachuca	72 Units	$10,800,000
Georgia	Fort Stewart	160 Units	$2,500,000
Kansas	Fort Leavenworth	40 Units	$10,000,000
Texas	Fort Bliss	76 Units	$13,600,000
Korea	Camp Humphreys	54 Units	$12,800,000
		Total:	$61,700,000

(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 $11,592,000.

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 $220,750,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,018,077,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $1,089,416,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $243,743,000.

(3) For a military construction project at an unspecified worldwide location authorized by section 2101(c), $4,000,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $18,000,000.

(5) For architectural and engineering services and construction design under section

2807 of title 10, United States Code, $163,676,000.

(6) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $294,576,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,102,732,000.

(7) For the construction of a cadet development center at the United States Military Academy, West Point, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261, 112 Stat. 2182), $37,900,000.

(8) For the construction of phase 2C of a barracks complex, Tagaytay Street, at Fort Bragg, North Carolina, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 825), $17,500,000.

(9) For the construction of phase 1C of a barracks complex, Wilson Street, at Schofield Barracks, Hawaii, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65, 113 Stat. 825), $23,000,000.

(10) For construction of phase 2 of a basic combat training complex at Fort Leonard Wood, Missouri, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), as amended by section 2105 of this Act, $27,000,000.

(11) For the construction of phase 2 of a battle simulation center at Fort Drum, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), as amended by section 2105 of this Act, $9,000,000.

(12) For the construction of phase 1 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 Spence Act; 114 Stat. 1654A–389), $49,000,000.

(13) For the construction of phase 1 of a barracks complex, Longstreet 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 Spence Act; 114 Stat. 1654A–389), $27,000,000.

(14) For the construction of a multipurpose digital training range at Fort Hood, Texas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389), as amended by section 2105 of this Act, $13,000,000.

(15) For the homeowners assistance program, as authorized by section 2832(a) of title 10, United States Code, $10,119,000, to remain available until expended.

(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), (3) of subsection (a);

(2) $52,000,000 (the balance of the amount authorized under section 2201 (a) for construction of a barracks complex, D Street, at Fort Richardson, Alaska);

(3) $41,000,000 (the balance of the amount authorized under section 2201 (a) for construction of phase 1 of a barracks complex, Nelson Blvd, at Fort Carson, Colorado);

(4) $36,000,000 (the balance of the amount authorized under section 2201 (a) for construction of phase 1 of a basic combat training complex at Fort Jackson, South Carolina); and

(5) $102,000,000 (the balance of the amount authorized under section 2201 (a) for construction of a barracks complex, 17th & B Streets, at Fort Lewis, Washington).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (15) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $36,168,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $75,417,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECTS.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–389) is amended—

(1) in the item relating to Fort Leonard Wood, Missouri, by striking ''$65,400,000'' in the amount column and inserting ''$69,400,000'';

(2) in the item relating to Fort Drum, New York, by striking ''$18,000,000'' in the amount column and inserting ''$21,000,000'';

(3) in the item relating to Fort Hood, Texas, by striking ''$36,492,000'' in the amount column and inserting ''$39,492,000''; and

(4) by striking the amount identified as the total in the amount column and inserting ''$623,074,000''.

(b) CONFORMING AMENDMENTS.—Section 2104 of that Act (114 Stat. 1654A–391) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking ''$1,925,344,000'' and inserting ''$1,935,744,000'';

(2) in subsection (b)(2), by striking ''$22,600,000'' and inserting ''$27,000,000'';

(3) in subsection (b)(3), by striking ''$10,000,000'' and inserting ''$13,000,000''; and

(4) in subsection (b)(6), by striking ''$6,000,000'' and inserting ''$9,000,000''.

TITLE XXII—NAVY

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	$22,570,000
California	Marine Air-Ground Task Force Training Center, Twentynine Palms	$75,125,000
	Marine Corps Air Station, Camp Pendleton	$4,470,000
	Marine Corps Air Station, Miramar	$3,680,000
	Marine Corps Base, Camp Pendleton	$96,490,000
	Naval Air Facility, El Centro	$23,520,000
	Naval Air Station, Lemoore	$10,010,000
	Naval Air Warfare Center, China Lake	$30,200,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	$13,730,000
	Naval Amphibious Base, Coronado	$8,610,000
	Naval Construction Battalion Center, Port Hueneme	$12,400,000
	Naval Construction Training Center, Port Hueneme	$3,780,000
	Naval Station, San Diego	$47,240,000
District of Columbia	Naval Air Facility, Washington	$9,810,000
Florida	Naval Air Station, Key West	$11,400,000
	Naval Air Station, Whiting Field, Milton	$2,140,000
	Naval Station, Mayport	$16,420,000
	Naval Station, Pensacola	$3,700,000
Hawaii	Marine Corps Base, Kaneohe	$24,920,000
	Naval Magazine Lualualei	$6,000,000
	Naval Shipyard, Pearl Harbor	$20,000,000
	Naval Station, Pearl Harbor	$40,600,000
	Navy Public Works Center, Pearl Harbor	$16,900,000
Illinois	Naval Training Center, Great Lakes	$82,260,000
Indiana	Naval Surface Warfare Center, Crane	$14,930,000
Maine	Naval Air Station, Brunswick	$67,395,000
Maryland	Naval Air Warfare Center, Patuxent River	$2,260,000
	Naval Air Warfare Center, St. Inigoes	$5,100,000
	Naval Explosive Ordinance Disposal Technology Center, Indian Head	$1,250,000
Mississippi	Naval Construction Battalion Center, Gulfport	$21,660,000
	Naval Air Station, Meridian	$3,400,000
Missouri	Marine Corps Support Activity, Kansas City	$9,010,000
North Carolina	Marine Corps Air Station, New River	$4,050,000
	Marine Corps Base, Camp Lejeune	$67,070,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Pennsylvania	Naval Foundry and Propeller Center, Philadelphia	$14,800,000
Rhode Island	Naval Station, Newport	$15,290,000
South Carolina	Marine Corps Air Station, Beaufort	$8,020,000
	Marine Corps Recruit Depot, Parris Island	$5,430,000
	Naval Hospital, Beaufort	$7,600,000
Tennessee	Naval Support Activity, Millington	$3,900,000
Texas	Naval Air Station, Joint Reserve Base, Ft. Worth	$9,060,000
Virginia	Marine Corps Air Facility, Quantico	$3,790,000
	Marine Corps Combat Dev Com	$9,390,000
	Naval Amphibious Base, Little Creek	$9,090,000
	Naval Station, Norfolk	$139,270,000
Washington	Naval Air Station, Whidbey Island	$3,470,000
	Naval Shipyard, Bremerton	$14,000,000
	Naval Station, Everett	$6,820,000
	Strategic Weapons Facility, Bangor	$3,900,000
	Total:	$1,038,920,000

(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
Greece	Naval Support Activity Joint Headquarters Command, Larissa	$12,240,000
	Naval Support Activity, Souda Bay	$3,210,000
Guam	Naval Station, Guam	$9,300,000
	Navy Public Works Center, Guam	$14,800,000
Iceland	Naval Air Station, Keflavik	$2,820,000
Italy	Naval Air Station, Sigonella	$3,060,000
Spain	Naval Station, Rota	$2,240,000
	Total:	$47,670,000

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) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or location	Purpose	Amount
Arizona	Marine Corps Air Station, Yuma	51 Units	$9,017,000
California	Marine Air-Ground Task Force Training Center, Twentynine Palms	74 Units	$16,250,000
Hawaii	Marine Corps Base, Kaneohe	172 Units	$46,996,000
	Naval Station, Pearl Harbor	70 Units	$16,827,000
Mississippi	Naval Construction Battalion Center, Gulfport	160 Units	$23,354,000
Virginia	Marine Corps Combat Development Command, Quantico	81 Units	$10,000,000
Italy	Naval Air Station, Sigonella	10 Units	$2,403,000
		Total:	$124,847,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations 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 $6,499,000.

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 $201,834,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,389,605,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $980,018,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $47,670,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $10,546,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $35,392,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $332,352,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $913,823,000.

(6) For construction of phase 6 of a large anachoic chamber facility at the Patuxent River Naval Air Warfare Center, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,770,000.

(7) For construction of the Commander-in-Chief Headquarters, Pacific Command, Camp H.M. Smith, Hawaii, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828), as amended by section 2205, $37,580,000.

(8) For repair of a pier at Naval Station, San Diego, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–396), $17,500,000.

(9) For replacement of a pier at Naval Shipyard, Bremerton, Washington, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–396), $24,460,000.

(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) $33,240,000 (the balance of the amount authorized under section 2201(a) for replacement of a pier, increment I, at Naval Station, Norfolk, Virginia; and

(3) $20,100,000 (the balance of the amount authorized under section 2201(a) for a combined propulsion and explosives lab at Naval Air Warfare Center, China Lake, California).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (9) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $6,854,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $13,652,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECT.

(a) MODIFICATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828) is amended—

(1) in the item relating to Camp H.M. Smith, Hawaii, by striking ''$86,050,000'' in the amount column and inserting ''$89,050,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$820,230,000''.

(b) CONFORMING AMENDMENTS.—Section 2204 of that Act (113 Stat. 830) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking ''$2,108,087,000'' and inserting ''$2,111,087,000''; and

(2) in subsection (b)(3), by striking ''$70,180,000'' and inserting ''$73,180,000''.

TITLE XXIII—AIR FORCE

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
Alabama	Maxwell Air Force Base	$34,400,000
Alaska	Eareckson Air Force Base	$4,600,000
	Elmendorf Air Force Base	$32,200,000
Arizona	Davis-Monthan Air Force Base	$23,500,000
	Luke Air Force Base	$4,500,000
Arkansas	Little Rock Air Force Base	$10,600,000
California	Beale Air Force Base	$7,900,000
	Edwards Air Force Base	$21,300,000
	Los Angeles Air Force Base	$23,000,000
	Travis Air Force Base	$10,100,000
	Vandenberg Air Force Base	$11,800,000
Colorado	Buckley Air Force Base	$23,200,000
	Schriever Air Force Base	$30,400,000
	United States Air Force Academy	$25,500,000
District of Columbia	Bolling Air Force Base	$2,900,000
Florida	Cape Canaveral Air Force Station	$7,800,000
	Eglin Air Force Base	$11,400,000
	Hurlburt Field	$10,400,000
	MacDill Air Force Base	$10,000,000
	Tyndall Air Force Base	$20,350,000
Georgia	Moody Air Force Base	$4,900,000
	Robins Air Force Base	$14,650,000
Hawaii	Hickman Air Force Base	$6,300,000
Idaho	Mountain Home Air Force Base	$14,600,000
Kansas	McConnell Air Force Base	$5,100,000
Maryland	Andrews Air Force Base	$19,420,000
Massachusetts	Hanscom Air Force Base	$9,400,000
Mississippi	Keesler Air Force Base	$28,600,000
Nevada	Nellis Air Force Base	$12,600,000
New Jersey	McGuire Air Force Base	$36,550,000
New Mexico	Cannon Air Force Base	$9,400,000
	Kirtland Air Force Base	$19,800,000
North Carolina	Pope Air Force Base	$17,800,000
North Dakota	Grand Forks Air Force Base	$7,800,000
Ohio	Wright-Patterson Air Force Base	$5,800,000
Oklahoma	Altus Air Force Base	$20,200,000
	Tinker Air Force Base	$17,700,000
South Carolina	Shaw Air Force Base	$24,400,000
Tennessee	Arnold Air Force Base	$24,400,000
Texas	Lackland Air Force Base	$12,800,000
	Laughlin Air Force Base	$15,600,000
	Sheppard Air Force Base	$45,200,000
Utah	Hill Air Force Base	$44,000,000
Virginia	Langley Air Force Base	$47,300,000
Washington	Fairchild Air Force Base	$2,800,000
	McChord Air Force Base	$20,700,000
Wyoming	F E Warren Air Force Base	$10,200,000
	Total:	$822,320,000

(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
Germany	Ramstein Air Force Base	$42,900,000
	Spangdahlem Air Base	$8,700,000
Greenland	Thule	$19,000,000
Guam	Andersen Air Force Base	$10,150,000
Italy	Aviano Air Base	$11,800,000
Korea	Kunsan Air Base	$12,000,000
	Osan Air Base	$101,142,000
Turkey	Eskisehir	$4,000,000
United Kingdom	Royal Air Force, Lakenheath	$11,300,000
	Royal Air Force, Mildenhall	$22,400,000
Wake Island	Wake Island	$25,000,000
	Total:	$268,392,000

(c) UNSPECIFIED WORLDWIDE.—Using the 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 amounts, set forth in the following table:

Air Force: Unspecified Worldwide

Location	Installation	Amount
Unspecified Worldwide	Classified Location	$4,458,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts, set forth in the following table:

Air Force: Family Housing

State	Installation or location	Purpose	Amount
Arizona	uke Air Force Base	120 Units	$15,712,000
California	Travis Air Force Base	118 Units	$18,150,000
Colorado	Buckley Air Force Base	55 Units	$11,400,000
Delaware	Dover Air Force Base	120 Units	$18,145,000
District of Columbia	Bolling Air Force Base	136 Units	$16,926,000
Hawaii	Hickam Air Force Base	102 Units	$25,037,000
Louisiana	Barksdale Air Force Base	56 Units	$7,300,000
South Dakota	Ellsworth Air Force Base	78 Units	$13,700,000
Virginia	Langley Air Force Base	4 Units	$1,200,000
Portugal	Lajes Field, Azores	64 Units	$13,230,000
		Total:	$140,800,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(7)(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 $24,558,000.

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)(7)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $370,879,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,526,034,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $806,020,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $268,392,000.

(3) For the military construction projects at unspecified worldwide locations authorized by section 2301(c), $4,458,000.

(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $11,250,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $84,630,000.

(6) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $536,237,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $866,171,000.

(7) $12,600,000 for construction of an air freight terminal and base supply complex at McGuire Air Force Base, New Jersey, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–399), as amended by section 2305.

(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) $12,000,000 (the balance of the amount authorized under section 2301(a) for a maintenance depot hanger at Hill Air Force Base, Utah).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (7) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $15,846,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $47,878,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military family housing construction and military family housing support outside the United States.

SEC. 2305. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECT.

(a) MODIFICATION.—The table in section 2301(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–399) is amended—

(1) in the item relating to McGuire Air Force Base, New Jersey, by striking ''$29,772,000'' in the amount column and inserting ''$32,972,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$748,955,000''.

(b) CONFORMING AMENDMENTS.—Section 2304(b)(2) of that Act (114 Stat. 1654A–402) is amended by striking ''$9,400,000'' and inserting ''$12,600,000''.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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	Blue Grass Army Depot, Kentucky	$47,220,000
Defense Education Activity	Laurel Bay, South Carolina	$12,850,000
	Marine Corps Base, Camp LeJeune, North Carolina	$8,857,000
Defense Logistics Agency	Defense Distribution Depot Tracy, California	$30,000,000
	Defense Distribution New Cumberland, Pennsylvania	$19,900,000
	Eielson Air Force Base, Alaska	$8,800,000
	Fort Belvoir, Virginia	$900,000
	Grand Forks Air Force Base, North Dakota	$9,110,000
	Hickam Air Force Base, Hawaii	$29,200,000
	McGuire Air Force Base, New Jersey	$4,400,000
	Minot Air Force Base, North Dakota	$14,000,000
	Philadelphia, Pennsylvania	$2,429,000
	Pope Air Force Base, North Carolina	$3,400,000
Special Operations Command	Aberdeen Proving Ground, Maryland	$3,200,000
	Fort Benning, Georgia	$5,100,000
	Fort Bragg, North Carolina	$35,962,000
	Fort Lewis, Washington	$6,900,000
	Hurlburt Field, Florida	$13,400,000
	MacDill Air Force Base, Florida	$12,000,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Naval Station, San Diego, California	$13,650,000
TRICARE Management Activity	Andrews Air Force Base, Maryland	$10,250,000
	Dyess Air Force Base, Texas	$3,300,000
	F. E. Warren Air Force Base, Wyoming	$2,700,000
	Fort Hood, Texas	$12,200,000
	Fort Stewart/Hunter Army Air Field, Georgia	$11,000,000
	Holloman Air Force Base, New Mexico	$5,700,000
	Hurlburt Field, Florida	$8,800,000
	Marine Corps Base, Camp Pendleton, California	$1,150,000
	Marine Corps Logistics Base, Albany, Georgia	$5,800,000
	Naval Air Station, Whidbey Island, Washington	$1,900,000
	Naval Hospital, Twentynine Palms, California	$1,600,000
	Naval Station, Mayport, Florida	$24,000,000
	Naval Station, Norfolk, Virginia	$21,000,000
	Schriever Air Force Base, Colorado	$4,000,000
Washington Headquarters Services	Pentagon Reservation, Virginia	$25,000,000
	Total:	$325,228,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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 Education Activity	Aviano Air Base, Italy	$3,647,000
	Geilenkirchen AB, Germany	$1,733,000
	Heidelberg, Germany	$3,312,000
	Kaiserslautern, Germany	$1,439,000
	Kitzingen, Germany	$1,394,000
	Landstuhl, Germany	$1,444,000
	Ramstein Air Force Base, Germany	$2,814,000
	Royal Air Force, Feltwell, United Kingdom	$22,132,000
	Vogelweh Annex, Germany	$1,558,000
	Wiesbaden Air Base, Germany	$1,378,000
	Wuerzburg, Germany	$2,684,000
Defense Logistics Agency	Anderson Air Force Base, Guam	$20,000,000
	Camp Casey, Korea	$5,500,000
	Naval Station, Rota, Spain	$3,000,000
	Yokota Air Base, Japan	$13,000,000
Office Secretary of Defense	Comalapa Air Base, El Salvador	$12,577,000
TRICARE Management Activity	Heidelberg, Germany	$28,000,000
	Lajes Field, Azores, Portugal	$3,750,000
	Thule, Greenland	$10,800,000
	Total:	$140,162,000

SEC. 2402. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2403(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 $35,600,000.

SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, 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 $1,421,319,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $370,164,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $140,162,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $24,492,000.

(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, $74,496,000.

(6) For energy conservation projects authorized by section 2402 of this Act, $35,600,000.

(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), $532,200,000.

(8) For military family housing functions:

(A) For improvement of military family housing and facilities, $250,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $43,762,000, of which not more than $37,298,000 may be obligated or expended for the leasing of military family housing units worldwide.

(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 the construction of phase 6 of an ammunition demilitarization facility at Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), and section 2407 of this Act, $26,000,000.

(10) For the construction of phase 3 of an ammunition demilitarization facility at Pueblo Army Depot, 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), $11,000,000.

(11) For construction of phase 4 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), $66,000,000.

(12) For construction of phase 4 of an ammunition demilitarization facility at Aberdeen Proving Ground, Maryland, 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, $66,500,000.

(13) For construction of a hospital at Fort Wainwright, Alaska, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 836), $18,500,000.

(14) For construction of an aircrew water survival training facility at Naval Air Station, Whidbey Island, Washington, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 836), as amended by section 2405 of this Act, $6,600,000.

(15) For the construction of phase 2 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. 836), as amended by section 2405, $3,000,000.

(16) For construction of FHOTC Support Facilities at Camp Pendleton, California, authorized by section 2401(a) of the Military

Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $3,150,000.

(17) For replacement of a Medical/Dental Clinic, Las Flores, at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $3,800,000.

(18) For replacement of a Medical/Dental Clinic, Las Pulgas, at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $4,050,000.

(19) For replacement of a Medical/Dental Clinic, Horno, at Camp Pendleton, California, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat.1654A–402), as amended by section 2404 of this Act, $4,300,000.

(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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (19) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $17,857,000, which represents the combination of savings resulting from adjustments to foreign currency exchange rates for military construction outside the United States; and

(2) $10,250,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead charges, and cancellations due to force structure changes.

SEC. 2404. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2001 PROJECT.

The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–402) is amended—

(1) under the agency heading relating to TRICARE Management Activity, in the item relating to Marine Corps Base, Camp Pendleton, California, by striking ''$14,150,000'' and inserting ''$15,300,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$258,056,000''.

SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(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. 836) is amended—

(1) under the agency heading relating to TRICARE Management Activity, in the item relating to Naval Air Station, Whidbey Island, Washington, by striking ''$4,700,000'' inserting ''$6,600,000'';

(2) under the agency heading relating to Chemical Demilitarization, in the item relating to Blue Grass Army Depot, Kentucky, by striking ''$206,800,000'' in the amount column and inserting ''$254,030,000''; and

(3) by striking the amount identified as the total in the amount column and inserting ''$636,550,000''.

(b) CONFORMING AMENDMENT.—Section 2405(b)(3) of that Act (113 Stat. 839) is amended by striking ''$184,000,000'' and inserting ''$231,230,000''.

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECT.

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) is amended—

(1) under the agency heading relating to Chemical Demilitarization, in the item relating to Aberdeen Proving Ground, Maryland, by striking ''$186,350,000'' in the amount column and inserting ''$223,950,000''; and

(2) by striking the amount identified as the total in the amount column and inserting ''$727,616,000''.

(b) CONFORMING AMENDMENTS.—Section 2404(b)(3) of that Act (112 Stat. 2196) is amended by striking ''$158,000,000'' and inserting ''$195,600,000''.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1995 PROJECT.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), is amended under the agency heading relating to Chemical Agents and Munitions Destruction, in the item relating to Pine Bluff Arsenal, Arkansas, by striking ''$154,400,000'' in the amount column and inserting ''$177,400,000''.

SEC. 2408. PROHIBITION ON EXPENDITURES TO DEVELOP FORWARD OPERATING LOCATION ON ARUBA FOR UNITED STATES SOUTHERN COMMAND COUNTER-DRUG DETECTION AND MONITORING FLIGHTS.

None of the funds appropriated under the heading ''MILITARY CONSTRUCTION, DEFENSE-WIDE'' in chapter 3 of title III of the Emergency Supplemental Act, 2000 (Public Law 106–246; 114 Stat. 579), may be used by the Secretary of Defense to develop any forward operating location on the island of Aruba to serve as a location from which the United States Southern Command could conduct counter-drug detection and monitoring flights.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2001, 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 $162,600,000.

TITLE XXVI—GUARD AND RESERVE FACILITIES

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, 2001, 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, $304,915,000; and

(B) for the Army Reserve, $173,017,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $53,291,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $197,472,000; and

(B) for the Air Force Reserve, $79,132,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

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, 2004; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2005.

(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, 2004; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2005 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) EXCEPTION.—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 tables in subsection (b), as provided in section 2302 or 2601 of that Act, shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Air Force: Extension of 1999 Project Authorizations

State	Installation or location	Project	Amount
Delaware	Dover Air Force Base	Family Housing Replacement (55 Units)	$8,998,000
Florida	Patrick Air Force Base	Family Housing Replacement (46 Units)	$9,692,000
New Mexico	Kirtland Air Force Base	Family Housing Replacement (37 Units)	$6,400,000
Ohio	Wright-Patterson Air Force Base	Family Housing Replacement (40 Units)	$5,600,000

Army National Guard: Extension of 1999 Project Authorizations

State	Installation or location	Project	Amount
Massachusetts	Westfield	Army Aviation Support Facility	$9,274,000
South Carolina	Spartanburg	Readiness Center	$5,260,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1998 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1984), authorizations set forth in the tables in subsection (b), as provided in section 2102, 2202, or 2302 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–408), shall remain in effect until October 1, 2002, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2003, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1998 Project Authorization

State	Installation or location	Project	Amount
Maryland	Fort Meade	Family Housing Construction (56 units)	$7,900,000

Navy: Extension of 1998 Project Authorizations

State	Installation or location	Project	Amount
California	Naval Complex, San Diego	Family Housing Replacement (94 units)	$13,500,000
California	Marine Corps Air Station, Miramar	Family Housing Construction (166 units)	$28,881,000
Louisiana	Naval Complex, New Orleans	Family Housing Replacement (100 units)	$11,930,000
Texas	Naval Air Station, Corpus Christi	Family Housing Construction (212 units)	$22,250,000

Air Force: Extension of 1998 Project Authorization

State	Installation or location	Project	Amount
New Mexico	Kirtland Air Force Base	Family Housing Replacement (180 units)	$20,900,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 2001; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. INCREASE IN CERTAIN UNSPECIFIED MINOR MILITARY CONSTRUCTION PROJECT THRESHOLDS.

Section 2805 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking ''$500,000'' and inserting ''$750,000'';

(2) in subsection (c)(1)(A), by striking ''$1,000,000'' and inserting ''$1,500,000''; and

(3) in subsection (c)(1)(B), by striking ''$500,000'' and inserting ''$750,000''.

SEC. 2802. EXCLUSION OF UNFORESEEN ENVIRONMENTAL HAZARD REMEDIATION FROM LIMITATION ON AUTHORIZED COST VARIATIONS.

Subsection (d) of section 2853 of title 10, United States Code, is amended to read as follows:

''(d) The limitation on cost increases in subsection (a) does not apply—

''(1) to the settlement of a contractor claim under a contract; or

''(2) to the costs associated with the required remediation of an environmental hazard in connection with a military construction project or military family housing project, such as asbestos removal, radon abatement, lead-based paint removal or abatement, or any other legally required environmental hazard remediation, if the required remediation could not have reasonably been anticipated at the time the project was approved originally by Congress.''.

SEC. 2803. REPEAL OF ANNUAL REPORTING REQUIREMENT ON MILITARY CONSTRUCTION AND MILITARY FAMILY HOUSING ACTIVITIES.

(a) REPEAL.—Section 2861 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter III of chapter 169 of such title is amended by striking the item relating to section 2861.

SEC. 2804. PERMANENT AUTHORIZATION FOR ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) REPEAL OF TERMINATION PROVISION.—Section 2885 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—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 2885.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. USE OF MILITARY INSTALLATIONS FOR CERTAIN RECREATIONAL ACTIVITIES.

Section 2671 of title 10, United States Code, is amended—

(1) by transferring subsection (b) to the end of the section and redesignating such subsection, as so transferred, as subsection (e); and

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

''(b) Subsection (a) shall not apply with respect to all or certain specified hunting, fishing, or trapping at a military installation or facility if the Secretary of Defense determines that the application of the State or Territory fish and game laws to such hunting, fishing, or trapping without modification could result in undesirable consequences for public safety or adverse effects on morale, welfare, or recreation activities at the installation or facility. The Secretary may not waive or modify the requirements under subsection (a)(2) regarding a license for such hunting, fishing, or trapping or any fee imposed by a State or Territory to obtain such a license.''.

SEC. 2812. BASE EFFICIENCY PROJECT AT BROOKS AIR FORCE BASE, TEXAS.

(a) INDEMNIFICATION OF TRANSFEREES.—Section 136 of the Military Construction Appropriations Act, 2001 (division A of Public Law 106–246; 114 Stat. 520), is amended—

(1) by striking subsection (n);

(2) by redesignating subsection (m) as subsection (n); and

(3) by inserting after subsection (l) the following new subsection:

''(m) INDEMNIFICATION OF TRANSFEREES.—(1) With respect to the disposal of real property under subsection (e) at the Base as part of the Project, the Secretary shall hold harmless, defend, and indemnify in full the

Community and other persons and entities described in paragraph (2) from and against any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to property or economic loss) that results from, or is in any manner predicated upon, the release or threatened release of any hazardous substance, pollutant or contaminant, or petroleum or petroleum derivative as a result of Department of Defense activities at the Base.

''(2) The persons and entities referred to in paragraph (1) are the following:

''(A) The Community (including any officer, agent, or employee of the Community) that acquires ownership or control of any real property at the Base as described in paragraph (1).

''(B) The State of Texas or any political subdivision of the State (including any officer, agent, or employee of the State or political subdivision) that acquires such ownership or control.

''(C) Any other person or entity that acquires such ownership or control.

''(D) Any successor, assignee, transferee, lender, or lessee of a person or entity described in subparagraphs (A) through (C).

''(3) To the extent the persons and entities described in paragraph (2) contributed to any such release or threatened release, paragraph (1) shall not apply.

''(4) No indemnification may be afforded under this subsection unless the person or entity making a claim for indemnification—

''(A) notifies the Department of Defense in writing within two years after such claim accrues or begins action within six months after the date of mailing, by certified or registered mail, of notice of final denial of the claim by the Department of Defense;

''(B) furnishes to the Department of Defense copies of pertinent papers the entity receives;

''(C) furnishes evidence or proof of any claim, loss, or damage covered by this subsection; and

''(D) provides, upon request by the Department of Defense, access to the records and personnel of the entity for purposes of defending or settling the claim or action.

''(5) In any case in which the Secretary determines that the Department of Defense may be required to make indemnification payments to a person under this subsection for any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage referred to in paragraph (1), the Secretary may settle or defend, on behalf of that person, the claim for personal injury or property damage. If the person to whom the Department of Defense may be required to make indemnification payments does not allow the Secretary to settle or defend the claim, the person may not be afforded indemnification with respect to that claim under this subsection.

''(6) For purposes of paragraph (4)(A), the date on which a claim accrues is the date on which the plaintiff knew (or reasonably should have known) that the personal injury or property damage referred to in paragraph (1) was caused or contributed to by the release or threatened release of a hazardous substance, pollutant or contaminant, or petroleum or petroleum derivative as a result of Department of Defense activities at the Base.

''(7) Nothing in this subsection shall be construed as affecting or modifying in any way section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

''(8) In this subsection, the terms 'facility', 'hazardous substance', 'release', and 'pollutant or contaminant' have the meanings given such terms in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, respectively (42 U.S.C. 9601).''.

(b) DEFINITIONS.—Paragraph (9) of subsection (n) of such section, as redesignated by subsection (a)(2), is amended by striking '', who shall be a civilian official of the Department appointed by the President with the advice and consent of the Senate''.

SEC. 2813. USE OF BUILDINGS ON MILITARY INSTALLATIONS AND RESERVE COMPONENT FACILITIES AS POLLING PLACES.

(a) USE OF MILITARY INSTALLATIONS AUTHORIZED.—Section 2670 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(b) USE AS POLLING PLACES.—(1) Notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title), the Secretary of a military department may make a building located on a military installation under the jurisdiction of the Secretary available for use as a polling place in any Federal, State, or local election for public office.

''(2) Once a military installation is made available as the site of a polling place with respect to a Federal, State, or local election for public office, the Secretary shall continue to make the site available for subsequent elections for public office unless the Secretary provides to Congress advance notice in a reasonable and timely manner of the reasons why the site will no longer be made available as a polling place.

''(3) In this subsection, the term 'military installation' has the meaning given the term in section 2687(e) of this title.''.

(b) USE OF RESERVE COMPONENT FACILITIES.—(1) Section 18235 of such title is amended by adding at the end the following new subsection:

''(c) Pursuant to a lease or other agreement under subsection (a)(2), the Secretary may make a facility covered by subsection (a) available for use as a polling place in any Federal, State, or local election for public office notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title). Once a facility is made available as the site of a polling place with respect to an election for public office, the Secretary shall continue to make the facility available for subsequent elections for public office unless the Secretary provides to Congress advance notice in a reasonable and timely manner of the reasons why the facility will no longer be made available as a polling place.''.

(2) Section 18236 of such title is amended by adding at the end the following new subsection:

''(e) Pursuant to a lease or other agreement under subsection (c)(1), a State may make a facility covered by subsection (c) available for use as a polling place in any Federal, State, or local election for public office notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title).''.

(c) CONFORMING AND CLERICAL AMENDMENTS.—(1) section 2670 of such title is further amended—

(A) by striking ''Under'' and inserting ''(a) USE BY RED CROSS.—Under''; and

(B) by striking ''this section'' and inserting ''this subsection''.

(2) The heading of such section is amended to read as follows:

''§ 2670. Buildings on military installations: use by American National Red Cross and as polling places''.

(3) The item relating to such section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

''2670. Buildings on military installations: use by American National Red Cross and as polling places.''.

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. LEASE BACK OF BASE CLOSURE PROPERTY.

(a) 1988 LAW.—Section 204(b)(4) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended—

(1) by redesignating subparagraphs (E), (F), (G), (H), and (I) as subparagraphs (F), (G), (H), (I), and (J), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph (E):

''(E)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this title (including property at an installation approved for realignment which will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, one or more portions of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

''(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

''(iii) A lease under clause (i) may not require rental payments by the United States.

''(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease. Exercise of the authority provided by this clause shall be made in consultation with the redevelopment authority concerned.

''(v) Notwithstanding clause (iii) or chapter 137 of title 10, United States Code, if a lease under clause (i) involves a substantial portion of the installation, the department or agency concerned may obtain facility services for the leased property and common area maintenance from the redevelopment authority or the redevelopment authority's assignee as a provision of the lease. The facility services and common area maintenance shall be provided at a rate no higher than the rate charged to non-Federal tenants of the transferred property. Facility services and common area maintenance covered by the lease shall not include—

''(I) municipal services that a State or local government is required by law to provide to all landowners in its jurisdiction without direct charge; or

''(II) firefighting or security-guard functions.''.

(b) 1990 LAW.—Section 2905(b)(4)(E) 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 adding at the end the following new clause:

''(v) Notwithstanding clause (iii) or chapter 137 of title 10, United States Code, if a lease under clause (i) involves a substantial portion of the installation, the department or agency concerned may obtain facility services for the leased property and common area maintenance from the redevelopment authority or the redevelopment authority's assignee as a provision of the lease. The facility services and common area maintenance shall be provided at a rate no higher

than the rate charged to non-Federal tenants of the transferred property. Facility services and common area maintenance covered by the lease shall not include—

''(I) municipal services that a State or local government is required by law to provide to all landowners in its jurisdiction without direct charge; or

''(II) firefighting or security-guard functions.''.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2831. MODIFICATION OF LAND EXCHANGE, ROCK ISLAND ARSENAL, ILLINOIS.

(a) ADDITIONAL CONVEYANCE AUTHORIZED.—Subsection (a) of section 2832 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 857) is amended—

(1) by inserting ''(1)'' before ''The Secretary''; and

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

''(2) The Secretary may convey to the City all right, title, and interest of the United States in and to an additional parcel of real property, including improvements thereon, at the Rock Island Arsenal consisting of approximately .513 acres.''.

(b) CONSIDERATION.—Subsection (b) of such section is amended—

(1) by inserting ''(1)'' before ''As consideration'';

(2) by striking ''subsection (a)'' both places it appears and inserting ''subsection (a)(1)''; and

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

''(2) As consideration for the conveyance under subsection (a)(2), the City shall convey to the Secretary all right, title, and interest of the City in and to a parcel of real property consisting of approximately .063 acres and construct on the parcel, at the City's expense, a new access ramp to the Rock Island Arsenal.''.

SEC. 2832. MODIFICATION OF LAND CONVEYANCES, FORT DIX, NEW JERSEY.

Section 2835(c) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 2004) is amended by adding at the end the following new paragraph:

''(3) Notwithstanding paragraphs (1) or (2), the Borough and Board may exchange between each other, without the consent of the Secretary, all or any portion of the property conveyed under subsection (a) so long as the property continues to be used by the grantees for economic development or educational purposes.''.

SEC. 2833. LEASE AUTHORITY, FORT DERUSSY, HAWAII.

Notwithstanding section 809 of the Military Construction Authorization Act, 1968 (Public Law 90–110; 81 Stat. 309) and section 2814(b) of the Military Construction Authorization Act, 1989 (Public Law 100–456; 102 Stat. 2117), the Secretary of the Army may enter into a lease with the City of Honolulu, Hawaii, for the purpose of making available to the City a parcel of real property at Fort DeRussy, Hawaii, for the construction of a parking facility.

SEC. 2834. LAND EXCHANGE AND CONSOLIDATION, FORT LEWIS, WASHINGTON.

(a) EXCHANGE AUTHORIZED.—(1) The Secretary of the Army may convey to the Nisqually Tribe, a federally recognized Indian tribe whose tribal lands are located within the State of Washington, all right, title, and interest of the United States in and to two parcels of real property, including any improvements thereon, consisting of approximately 138 acres at Fort Lewis, Washington, in exchange for the real property described in subsection (b).

(2) The property authorized for conveyance under paragraph (1) does not include Bonneville Power Administration transmission facilities or the right of way described in subsection (c).

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Nisqually Tribe shall—

(1) acquire from Thurston Country, Washington, several parcels of real property consisting of approximately 416 acres that are owned by the county, are within the boundaries of Fort Lewis, and are currently leased by the Army, and

(2) convey fee title over the acquired property to the Secretary.

(c) RIGHT-OF-WAY FOR BONNEVILLE POWER ADMINISTRATION.—The Secretary may use the authority provided in section 2668 of title 10, United States Code, to convey to the Bonneville Power Administration a right-of-way that authorizes the Bonneville Power Administration to use real property at Fort Lewis as a route for the Grand Coulee-Olympia and Olympia-White River electric transmission lines and appurtenances to facilitate the removal of such transmission lines from tribal lands of the Nisqually Tribe.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) and acquired under subsection (b) shall be determined by a survey satisfactory to the Secretary and the Nisqually Tribe. The cost of the survey shall be borne by the recipient of the property.

(e) 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. 2835. LAND CONVEYANCE, WHITTIER-ANCHORAGE PIPELINE TANK FARM, ANCHORAGE, ALASKA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Port of Anchorage, an entity of the Municipality of Anchorage, Alaska, all right, title, and interest of the United States in and to two adjoining parcels of real property, including any improvements thereon, consisting of approximately 48 acres in Anchorage, Alaska, which are known as of the Whittier-Anchorage Pipeline Tank Farm, for the purpose of permitting the Port of Anchorage to use the parcels for economic development.

(b) 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 recipient of the real property.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section (a) as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2841. TRANSFER OF JURISDICTION, CENTERVILLE BEACH NAVAL STATION, HUMBOLDT COUNTY, CALIFORNIA.

(a) TRANSFER AUTHORIZED.—The Secretary of the Navy may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior the real property, including any improvements thereon, consisting of the closed Centerville Beach Naval Station in Humboldt County, California, for the purpose of permitting the Secretary of the Interior to manage the real property as open space or for other public purposes.

(b) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of the survey shall be borne by the Secretary of the Interior.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Navy considers appropriate to protect the interests of the United States.

SEC. 2842. LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, TOLEDO, OHIO.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the Toledo-Lucas County Port Authority, Ohio (in this section referred to as the ''Port Authority''), all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 29 acres, including any improvements thereon, and comprising the Naval Weapons Industrial Reserve Plant, Toledo, Ohio.

(2) The Secretary may include in the conveyance under paragraph (1) such facilities, equipment, fixtures, and other personal property located or based on the parcel conveyed under that paragraph, or used in connection with the parcel, as the Secretary determines to be not required by the Navy for other purposes.

(b) LEASE AUTHORITY.—Until such time as the real property described in subsection (a)(1) is conveyed by deed, the Secretary may lease the real property, together with any improvements, facilities, equipment, fixtures, and other personal property thereon, to the Port Authority in exchange for security services, fire protection services, and maintenance services provided by the Port Authority for the real property.

(c) CONDITIONS OF CONVEYANCE.—(1) The conveyance under subsection (a), and any lease under subsection (b), shall be subject to the conditions that the Port Authority—

(A) accept the parcel, and any improvements, facilities, equipment, fixtures, and other personal property thereon, in their condition at the time of the conveyance or lease, as the case may be; and

(B) except as provided in paragraph (2), use the parcel, and any improvements, facilities, equipment, fixtures, and other personal property thereon, whether directly or through an agreement with a public or private entity, for economic development, redevelopment, or retention purposes, including the creation or preservation of jobs and employment opportunities, or such other public purposes as the Port Authority determines appropriate.

(2) The Port Authority may at any time convey, lease, or sublease, as the case may be, the parcel, and any improvements, facilities, equipment, fixtures, and other personal property thereon, to a public or private entity for purposes described in paragraph (1)(B).

(d) INSPECTION.—The Secretary may permit the Port Authority to review and inspect the improvements, facilities, equipment, fixtures, and other personal property located on the parcel described in subsection (a)(1) for purposes of the conveyance authorized by that subsection and the lease authorized by subsection (b).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a)(1), and of any facilities, equipment fixtures, or other personal property to be conveyed under subsection (a)(2), shall be determined by a survey and other means satisfactory to the Secretary. The cost of any activities under the preceding sentence shall be borne by the Port Authority.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a)(1), and any lease under subsection (b), as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2843. MODIFICATION OF AUTHORITY FOR CONVEYANCE OF NAVAL COMPUTER AND TELECOMMUNICATIONS STATION, CUTLER, MAINE.

Section 2853(a) of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–430) is amended by inserting ''any or'' before ''all right''.

SEC. 2844. MODIFICATION OF LAND CONVEYANCE, FORMER UNITED STATES MARINE CORPS AIR STATION, EAGLE MOUNTAIN LAKE, TEXAS.

Section 5 of Public Law 85–258 (71 Stat. 583) is amended by inserting before the period at the end the following: ''or for the protection, maintenance, and operation of other Texas National Guard facilities''.

SEC. 2845. LAND TRANSFER AND CONVEYANCE, NAVAL SECURITY GROUP ACTIVITY, WINTER HARBOR, MAINE.

(a) TRANSFER OF JURISDICTION OF SCHOODIC POINT PROPERTY AUTHORIZED.—(1) The Secretary of the Navy may transfer, without consideration, to the Secretary of the Interior administrative jurisdiction of a parcel of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 26 acres as generally depicted as Tract 15–116 on the map entitled ''Acadia National Park Schoodic Point Area'', numbered 123/80,418 and dated May 2001. The map shall be on file and available for inspection in the appropriate offices of the National Park Service.

(2) The transfer authorized by this subsection shall occur, if at all, concurrently with the reversion of administrative jurisdiction of a parcel of real property consisting of approximately 71 acres, as depicted as Tract 15–115 on the map referred to in paragraph (1), from the Secretary of the Navy to the Secretary of the Interior as authorized by Public Law 80–260 (61 Stat. 519) and to be executed on or about June 30, 2002.

(b) CONVEYANCE OF COREA AND WINTER HARBOR PROPERTIES AUTHORIZED.—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 any of the parcels of real property, including any improvements thereon and appurtenances thereto, consisting of approximately 485 acres and comprising the former facilities of the Naval Security Group Activity, Winter Harbor, Maine, located in Hancock County, Maine, except for the real property described in subsection (a)(1).

(c) TRANSFER OF PERSONAL PROPERTY.—The Secretary of the Navy shall transfer, without consideration, to the Secretary of the Interior in the case of the real property transferred under subsection (a), or to any recipient of such real property in the case of real property conveyed under subsection (b), any or all personal property associated with such real property so transferred or conveyed, including—

(1) the ambulances and any fire trucks or other firefighting equipment; and

(2) any personal property required to continue the maintenance of the infrastructure of such real property, including the generators and an uninterrupted power supply in building 154 at the Corea site.

(d) MAINTENANCE OF PROPERTY PENDING CONVEYANCE.—The Secretary of the Navy shall maintain any real property, including any improvements thereon, appurtenances thereto, and supporting infrastructure, to be conveyed under subsection (b) until the earlier of—

(1) the date of the conveyance of such real property under subsection (b); or

(2) September 30, 2003.

(e) INTERIM LEASE.—(1) Until such time as any parcel of real property to be conveyed under subsection (b) is conveyed by deed under that subsection, the Secretary of the Navy may lease such parcel to any person or entity determined by the Secretary to be an appropriate lessee of such parcel.

(2) The amount of rent for a lease under paragraph (1) shall be the amount determined by the Secretary to be appropriate, and may be an amount less than the fair market value of the lease.

(f) REIMBURSEMENT FOR ENVIRONMENTAL AND OTHER ASSESSMENTS.—(1) The Secretary of the Navy may require each recipient of real property conveyed under subsection (b) to reimburse the Secretary for the costs incurred by the Secretary for any environmental assessment, study, or analysis carried out by the Secretary with respect to such property before completing the conveyance under that subsection.

(2) The amount of any reimbursement required under paragraph (1) shall be determined by the Secretary, but may not exceed the cost of the assessment, study, or analysis for which reimbursement is required.

(3) Section 2695(c) of title 10, United States Code, shall apply to any amount received by the Secretary under this subsection.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property transferred under subsection (a), and each parcel of real property conveyed under subsection (b), shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of any survey under the preceding sentence for real property conveyed under subsection (b) shall be borne by the recipient of the real property.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with any conveyance under subsection (b), and any lease under subsection (e), as the Secretary considers appropriate to protect the interests of the United States.

PART III—AIR FORCE CONVEYANCES

SEC. 2851. WATER RIGHTS CONVEYANCE, ANDERSEN AIR FORCE BASE, GUAM.

(a) AUTHORITY TO CONVEY.—In conjunction with the conveyance of the water supply system for Anderson Air Force Base, Guam, under the authority of section 2688 of title 10, United States Code, and in accordance with all the requirements of that section, the Secretary of the Air Force may convey all right, title, and interest of the United States, or such lesser estate as the Secretary considers appropriate to serve the interests of the United States, in the water rights related to the following Air Force properties located on Guam:

(1) Andy South, also known as the Andersen Administrative Annex.

(2) Marianas Bonins Base Command.

(3) Andersen Water Supply Annex, also known as the Tumon Water Well or the Tumon Maui Well.

(b) ADDITIONAL REQUIREMENTS.—The Secretary may exercise the authority contained in subsection (a) only if—

(1) the Secretary determines that adequate supplies of potable groundwater exist under the main base and northwest field portions of Andersen Air Force Base to meet the current and long-term requirements of the installation for water;

(2) the Secretary determines that such supplies of groundwater are economically obtainable; and

(3) the Secretary requires the conveyee of the water rights under subsection (a) to provide a water system capable of meeting the water supply needs of the main base and northwest field portions of Anderson Air Force Base, as determined by the Secretary.

(c) INTERIM WATER SUPPLIES.—If the Secretary determines that it is in the best interests of the United States to transfer title to the water rights and utility systems at Andy South and Andersen Water Supply Annex before placing into service a replacement water system and well field on Andersen Air Force Base, the Secretary may require that the United States have the primary right to all water produced from Andy South and Andersen Water Supply Annex until the replacement water system and well field is placed into service and operates to the satisfaction of the Secretary. In exercising the authority provided by this subsection, the Secretary may retain a reversionary interest in the water rights and utility systems at Andy South and Andersen Water Supply Annex until such time as the new replacement water system and well field is placed into service and operates to the satisfaction of the Secretary.

(d) SALE OF EXCESS WATER AUTHORIZED.—(1) As part of the conveyance of water rights under subsection (a), the Secretary may authorize the conveyee of the water system to sell to public or private entities such water from Andersen Air Force Base as the Secretary determines to be excess to the needs of the United States. In the event the Secretary authorizes the conveyee to resell water, the Secretary shall negotiate a reasonable return to the United States of the value of such excess water sold by the conveyee, which return the Secretary may receive in the form of reduced charges for utility services provided by the conveyee.

(2) If the Secretary cannot meet the requirements of subsection (b), and the Secretary determines to proceed with a water utility system conveyance under section 2688 of title 10, United States Code, without the conveyance of water rights, the Secretary may provide in any such conveyance that the conveyee of the water system may sell to public or private entities such water from Andy South and Andersen Water Supply Annex as the Secretary determines to be excess to the needs of the United States. The Secretary shall negotiate a reasonable return to the United States of the value of such excess water sold by the conveyee, which return the Secretary may receive in the form of reduced charges for utility services provided by the conveyee.

(e) TREATMENT OF WATER RIGHTS.—For purposes of section 2688 of title 10, United States Code, the water rights referred to in subsection (a) shall be considered as part of a utility system (as that term is defined in subsection (h)(2) of such section).

SEC. 2852. REEXAMINATION OF LAND CONVEYANCE, LOWRY AIR FORCE BASE, COLORADO.

The Secretary of the Air Force shall reevaluate the terms and conditions of the pending negotiated sale agreement with the Lowry Redevelopment Authority for certain real property at Lowry Air Force Base, Colorado, in light of changed circumstances regarding the property, including changes in the flood plain designations affecting some of the property, to determine whether the changed circumstances warrant a reduction in the amount of consideration otherwise required under the agreement or other modifications to the agreement.

SEC. 2853. LAND CONVEYANCE, DEFENSE FUEL SUPPORT POINT, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to Florida State University,

all right, title and interest of the United States in and to a parcel of real property known as ''Defense Fuel Support Point'', including any improvements thereon, located in Lynn Haven, Florida, and consisting of approximately 200 acres for the purpose of establishing a National Coastal Research Center.

(b) 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 Secretary.

(c) 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 E—Other Matters

SEC. 2861. TRANSFER OF JURISDICTION FOR DEVELOPMENT OF ARMED FORCES RECREATION FACILITY, PARK CITY, UTAH.

(a) TRANSFER REQUIRED.—(1) The Secretary of the Interior shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Air Force a parcel of real property in Park City, Utah, including any improvements thereon, that consists of approximately 35 acres, is located in township 2 south, range 4 east, Salt Lake meridian, and is designated as parcel 3 by the Bureau of Land Management.

(2) The transfer shall be subject to existing rights, except that the Secretary of the Interior shall terminate any lease with respect to the parcel issued under the Act of June 14, 1926 (commonly known as the Recreation and Public Purposes Act; 43 U.S.C. 689 et seq.), and still in effect as of the date of the enactment of this Act.

(3) The transfer required by this subsection shall be completed not later than one year after the date of the enactment of this Act.

(b) USE OF TRANSFERRED LAND.—(1) The Secretary of the Air Force may use the real property transferred under subsection (a) as the location for an armed forces recreation facility to be developed using nonappropriated funds.

(2) The Secretary of the Air Force may return the transferred property (or property acquired in exchange for the transferred property under subsection (c)) to the administrative jurisdiction of the Secretary of the Interior at any time upon certifying that development of the armed forces recreation facility would not be in the best interests of the Government.

(c) SUBSEQUENT CONVEYANCE AUTHORITY.—(1) In lieu of developing the armed forces recreation facility on the real property transferred under subsection (a), the Secretary of the Air Force may convey or lease the property to the State of Utah, a local government, or a private entity in exchange for other property to be used as the site of the facility.

(2) The values of the properties exchanged by the Secretary under this subsection either shall be equal, or if they are not equal, the values shall be equalized by the payment of money to the grantor or to the Secretary as the circumstances require. The conveyance or lease shall be on such other terms as the Secretary of the Air Force considers to be advantageous to the development of the facility.

(d) ALTERNATIVE DEVELOPMENT AUTHORITY.—The Secretary of the Air Force may lease the real property transferred under subsection (a), or any property acquired pursuant to subsection (c), to another party and may enter into a contract with the party for the design, construction, and operation of the armed forces recreation facility. The Secretary of the Air Force may authorize the contractor to operate the facility as both a military and a commercial operation if the Secretary determines that such an authorization is a necessary incentive for the contractor to agree to design, construct, and operate the facility.

(e) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey. The cost of the survey shall be borne by the Secretary of the Air Force.

SEC. 2862. SELECTION OF SITE FOR UNITED STATES AIR FORCE MEMORIAL AND RELATED LAND TRANSFERS FOR THE IMPROVEMENT OF ARLINGTON NATIONAL CEMETERY, VIRGINIA.

(a) DEFINITIONS.—In this section:

(1) The term ''Arlington Naval Annex'' means the parcel of Federal land located in Arlington County, Virginia, that is subject to transfer to the administrative jurisdiction of the Secretary of the Army under section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 879).

(2) The term ''Foundation'' means the Air Force Memorial Foundation, which was authorized in Public Law 103–163 (107 Stat. 1973; 40 U.S.C. 1003 note) to establish a memorial in the District of Columbia or its environs to honor the men and women who have served in the United States Air Force and its predecessors.

(3) The term ''Air Force Memorial'' means the United States Air Force Memorial to be established by the Foundation.

(4) The term ''Arlington Ridge tract'' means the parcel of Federal land in Arlington County, Virginia, known as the Nevius Tract and transferred to the Department of the Interior in 1953, that is bounded generally by—

(A) Arlington Boulevard (United States Route 50) to the north;

(B) Jefferson Davis Highway (Virginia Route 110) to the east;

(C) Marshall Drive to the south; and

(D) North Meade Street to the west.

(5) The term ''Section 29'' means a parcel of Federal land in Arlington County, Virginia, that is currently administered by the Secretary of the Interior within the boundaries of Arlington National Cemetery and is identified as ''Section 29''.

(b) OFFER OF PORTION OF ARLINGTON NAVAL ANNEX AS SITE FOR AIR FORCE MEMORIAL.—Within 60 days after the date of the enactment of this Act, the Secretary of Defense shall offer to the Foundation an option to use, without reimbursement, up to three acres of the Arlington Naval Annex as the site within which the Foundation will construct the Air Force Memorial. The offered acreage shall include the promontory adjacent to, and the land underlying, Wing 8 of Federal Office Building #2 in the northeast quadrant of the Arlington Naval Annex.

(c) ACCEPTANCE OR REJECTION OF OFFER.—

(1) DEADLINE.—Within 90 days after the date on which the Secretary of Defense makes the offer required by subsection (b), the Foundation shall provide written notice to the Secretary of the decision of the Foundation to accept or decline the offer.

(2) EFFECT OF ACCEPTANCE.—Subject to subsection (d), if the Foundation accepts the offer of the Secretary of Defense, the Foundation shall relinquish all claims to the previously approved location for the Air Force Memorial. No other commemorative work may thereafter be established on the Arlington Naval Annex property.

(3) EFFECT OF REJECTION.—If the Foundation declines the offer of the Secretary of Defense, the Foundation may resume its efforts to construct the Air Force Memorial on the Arlington Ridge tract from the farthest point of progress. Any administrative record compiled during previous proceedings related to the siting of the memorial on the Arlington Ridge tract pursuant to Public Law 103–163 (40 U.S.C. 1003 note), shall be preserved, and all deadlines tolled, while the Foundation is considering the offer of a site for the memorial within the Arlington Naval Annex.

(d) PREPARATION FOR AND CONSTRUCTION OF AIR FORCE MEMORIAL.—

(1) PREPARATION FOR CONSTRUCTION.—Not later than two years after the date on which the Foundation accepts the offer made under subsection (b) and has available sufficient funds to construct the Air Force Memorial, the Secretary of Defense, in coordination with the Foundation, shall remove all structures and prepare the Arlington Naval Annex site for use as may be necessary to permit construction of the memorial and appropriate access.

(2) CONSTRUCTION OF MEMORIAL.—Upon the removal of structures and preparation of the property for use as required by paragraph (1), the Secretary of Defense shall permit the Foundation to commence construction of the Air Force Memorial on the Arlington Naval Annex site.

(3) RELATION TO OTHER TRANSFER AUTHORITY.—Nothing in this section alters the deadline for transfer of the Arlington Naval Annex to the Secretary of the Army and remediation of the transferred land for use as part of Arlington National Cemetery, as required by section 2881 of the Military Construction Authorization Act for Fiscal Year 2000.

(4) OVERSIGHT.—The Secretary of Defense shall have exclusive authority in all matters relating to approval of the siting and design of the Air Force Memorial on the Arlington Naval Annex site, and the siting, design, and construction of the memorial on such site shall not be subject to the requirements of the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(e) ACCESS AND MANAGEMENT OF RESULTING AIR FORCE MEMORIAL.—The Secretary of the Army may enter into a cooperative agreement with the Foundation to provide for management of the Air Force Memorial constructed on the Arlington Naval Annex site and to guarantee public access to the memorial.

(f) LAND TRANSFER, ARLINGTON RIDGE TRACT.—

(1) TRANSFER REQUIRED.—Within 30 days after the date of the enactment of this Act, the Secretary of the Interior shall transfer, without reimbursement, to the Secretary of the Army administrative jurisdiction over the Arlington Ridge tract.

(2) USE OF LAND.—The Secretary of the Army shall incorporate the Arlington Ridge tract into Arlington National Cemetery and may designate and use up to 15 acres of that portion of the tract east of the Netherlands Carillon and Marine Corps Memorial as new in-ground burial sites, for both full casket and cremated remains, for the burial of eligible individuals in Arlington National Cemetery. Burial sites shall not be developed within 50 feet of the pathway, in existence as of the date of the enactment of this Act, that connects the Netherlands Carillon and the Marine Corps Memorial or the existing roadway that circles the Marine Corps Memorial. No other structures shall be permitted on the Arlington Ridge tract.

(3) ACCESS AND MANAGEMENT OF EXISTING MEMORIALS.—The Secretary of the Army and the Secretary of the Interior shall enter into a cooperative agreement to continue National Park Service management of the Netherlands Carillon and the Marine Corps

Memorial and to guarantee public access to these locations.

(g) LAND TRANSFER, SECTION 29.—

(1) TRANSFER REQUIRED.—Within 30 days after the date of the enactment of this Act, the Secretary of the Interior shall transfer, without reimbursement, to the Secretary of the Army administrative jurisdiction over that portion of Section 29 located more than 50 feet from Sherman Drive and located between Ord and Weitzel Drive and the southern boundary of Section 29.

(2) USE OF LAND.—The Secretary of the Army shall use the transferred property only for the development of in-ground burial sites and columbarium which are designed to meet the contours of Section 29. The Secretary of the Army shall preserve the natural setting of the parcel and the mature trees on the parcel to the greatest extent practicable while providing for its efficent use as burial space.

(3) MANAGEMENT OF REMAINDER.—The Secretary of the Army and the Secretary of the Interior shall enter into a cooperative agreement to continue National Park Service management of that portion of Section 29 that is not transferred under this subsection to provide a natural setting and visual buffer for Arlington House, the Robert E. Lee Memorial.

(h) REMOVAL OF ARLINGTON NAVAL ANNEX AS POSSIBLE NATIONAL MILITARY MUSEUM SITE.—

(1) EXISTING NAVY ANNEX TRANSFER.—Section 2881 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 879) is amended—

(A) in subsection (b)—

(i) by striking ''(1) Subject to paragraph (2), the'' and inserting ''The''; and

(ii) by striking paragraph (2);

(B) by striking subsections (d), (e), and (f); and

(C) by redesignating subsections (g) and (h) as subsections (d) and (e), respectively.

(2) COMMISSION ON NATIONAL MILITARY MUSEUM.—Section 2902 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 881; 10 U.S.C. 111 note) is amended by striking subsection (d) and inserting the following new subsection:

''(d) PROHIBITION ON CONSIDERATION OF ARLINGTON NAVAL ANNEX.—The Commission may not consider any portion of the Navy Annex property described in section 2881 as a possible site for a national military museum.''.

SEC. 2863. MANAGEMENT OF THE PRESIDIO OF SAN FRANCISCO.

(a) AUTHORITY TO LEASE CERTAIN HOUSING UNITS FOR USE AS ARMY HOUSING.—Title I of division I of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333; 16 U.S.C. 460bb note) is amended by adding at the end the following new section:

''SEC. 107. CONDITIONAL AUTHORITY TO LEASE CERTAIN HOUSING UNITS WITHIN THE PRESIDIO.

''(a) AVAILABILITY OF HOUSING UNITS FOR LONG-TERM ARMY LEASE.—Subject to subsection (c), the Trust shall make available for lease, to those persons designated by the Secretary of the Army and for such length of time as requested by the Secretary of the Army, 22 housing units located within the Presidio that are under the administrative jurisdiction of the Trust and specified in the agreement between the Trust and the Secretary of the Army in existence as of the date of the enactment of this section.

''(b) LEASE AMOUNT.—The monthly amount charged by the Trust for the lease of a housing unit under this section shall be equivalent to the monthly rate of the basic allowance for housing that the occupant of the housing unit is entitled to receive under section 403 of title 37, United States Code.

''(c) CONDITION ON CONTINUED AVAILABILITY OF HOUSING UNITS.—Effective after the end of the four-year period beginning on the date of the enactment of this section, the Trust shall have no obligation to make housing units available under subsection (a) unless, during that four-year period, the Secretary of the Treasury purchases new obligations of at least $80,000,000 issued by the Trust under section 104(d)(2). In the event that this condition is not satisfied, the existing agreement referred to in subsection (a) shall be renewed on the same terms and conditions for an additional two years.''.

(b) INCREASED BORROWING AUTHORITY AND TECHNICAL CORRECTIONS.—Paragraphs (2) and (3) of section 104(d) of title I of division I of the Omnibus Parks and Public Lands Management Act of 1996, as amended by section 334 of appendix C of Public Law 106–113 (113 Stat. 1501A–199) and amended and redesignated by section 101(13) of Public Law 106–176 (114 Stat. 25), are amended—

(1) in paragraph (2), by striking ''including a review of the creditworthiness of the loan and establishment of a repayment schedule,'' the second place it appears; and

(2) in paragraph (3)—

(A) by striking ''$50,000,000'' and inserting ''$150,000,000''; and

(B) by striking ''paragraph (3) of''.

SEC. 2864. EFFECT OF LIMITATION ON CONSTRUCTION OF ROADS OR HIGHWAYS, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

Section 2851 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2219), as amended by section 2881 of the Spence Act (114 Stat. 1654A–438), is amended by adding at the end the following new subsection:

''(g) LIMITATION ON CONSTRUCTION OF ROADS OR HIGHWAYS.—If a State law enacted after January 1, 2001, directly or indirectly prohibits or restricts the construction or approval of a road or highway within the easement granted under this section, the State law shall not be effective with respect to such construction or approval.''.

SEC. 2865. ESTABLISHMENT OF WORLD WAR II MEMORIAL AT ADDITIONAL LOCATION ON GUAM.

Section 2886 of the Military Construction Authorization Act for Fiscal Year 2001 (division B of the Spence Act; 114 Stat. 1654A–441) is amended—

(1) in subsection (a), by inserting '', and on Federal lands near Yigo,'' after ''Fena Caves'';

(2) in the heading of subsection (b), by striking ''MEMORIAL'' and inserting ''MEMORIALS''; and

(3) in subsections (b) and (c), by striking ''memorial'' each place it appears and inserting ''memorials''.

SEC. 2866. ADDITIONAL EXTENSION OF DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

Section 816(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2820), as added by section 2873 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2225), is amended by inserting before the period at the end the following: '', with regard to firefighting and police services, and September 30, 2003, with regard to other services described in under subsection (a)''.

SEC. 2867. CONVEYANCE OF AVIGATION EASEMENTS, FORMER NORTON AIR FORCE BASE, CALIFORNIA.

The Administrator of General Services shall convey, without consideration, to the Inland Valley Development Agency (the redevelopment authority for former Norton Air Force Base, California) two avigation easements (identified as APN 289–231–08 and APN 289–232–08) held by the United States.

SEC. 2868. REPORT ON OPTIONS TO PROMOTE ECONOMIC DEVELOPMENT IN COMMUNITY ADJACENT TO UNITED STATES MILITARY ACADEMY, NEW YORK.

(a) REPORT REQUIRED.—Not later than February 1, 2002, the Secretary of the Army shall submit to Congress a report evaluating various options by which the Secretary may promote economic development in the Village of Highland Falls, New York, which is located adjacent to the United States Military Academy.

(b) SPECIFIC CONSIDERATION OF CERTAIN OPTIONS.—Among the options evaluated under subsection (a), the Secretary shall specifically address the following:

(1) The fee simple conveyance of real property under the jurisdiction of the Secretary in the Town of Highlands, New York, to the Village, without consideration, for the purpose of permitting the Village to use the property to promote economic development.

(2) Use by the Secretary of the authority under section 2667 of title 10, United States Code, to make non-excess real property under the jurisdiction of the Secretary available to the Village for such purpose.

TITLE XXIX—FORT IRWIN MILITARY LAND WITHDRAWAL

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Fort Irwin Military Land Withdrawal Act of 2001''.

SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS FOR NATIONAL TRAINING CENTER.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, all public lands and interests in lands described in subsection (c) are hereby withdrawn from all forms of appropriation under the general land laws, including the mining laws and mineral and geothermal leasing laws, and jurisdiction over such lands and interests in lands withdrawn and reserved by this title is hereby transferred to the Secretary of the Army.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army for the following purposes:

(1) The conduct of combined arms military training at the National Training Center.

(2) The development and testing of military equipment at the National Training Center.

(3) Other defense-related purposes consistent with the purposes specified in paragraphs (1) and (2).

(4) Conservation and related research purposes.

(c) LAND DESCRIPTION.—The public lands and interests in lands withdrawn and reserved by this section comprise approximately 110,000 acres in San Bernardino County, California, as generally depicted as ''Proposed Withdrawal Land'' on the map entitled ''National Training Center—Proposed Withdrawal of Public Lands for Training Purposes,'' dated September 21, 2000, and filed in accordance with section 2903.

(d) CHANGES IN USE.—The Secretary of the Army shall consult with the Secretary of the Interior before using the lands withdrawn and reserved by this section for any purpose other than those purposes identified in subsection (b).

(e) INDIAN TRIBES.—Nothing in this title shall be construed as altering any rights reserved for tribal use by treaty or Federal law. The Secretary of the Army shall consult with federally recognized Indian tribes in the

vicinity of the lands withdrawn under subsection (a) before taking action affecting rights or cultural resources protected by treaty or Federal law.

SEC. 2903. MAP AND LEGAL DESCRIPTION.

(a) PREPARATION OF MAP AND LEGAL DESCRIPTION.—As soon as practicable after the date of the enactment of this Act, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and

(2) file a map and legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(b) LEGAL EFFECT.—The map and legal description shall have the same force and effect as if included in this title, except that the Secretary of the Interior may correct clerical and typographical errors in the map and legal description.

(c) AVAILABILITY.—Copies of the map and the legal description shall be available for public inspection in the following offices:

(1) The offices of the California State Director, California Desert District Office, and Riverside and Barstow Field Offices of the Bureau of Land Management.

(2) The Office of the Commander, National Training Center and Fort Irwin.

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs incurred by the Secretary of the Interior in implementing this section.

SEC. 2904. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) GENERAL MANAGEMENT AUTHORITY.—During the period of the withdrawal and reservation made by this title, the Secretary of the Army shall manage the lands withdrawn and reserved by this title for the purposes specified in section 2902.

(b) TEMPORARY PROHIBITION ON CERTAIN USE.—Military use of the lands withdrawn and reserved by this title that result in ground disturbance, as determined by the Secretary of the Army and the Secretary of the Interior, are prohibited until the Secretary of the Army and the Secretary of the Interior certify to Congress that there has been full compliance with respect to such lands with the appropriate provisions of this title, the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other applicable laws.

(c) ACCESS RESTRICTIONS.—

(1) IN GENERAL.—If the Secretary of the Army determines that military operations, public safety, or national security require the closure to the public of any road, trail, or other portion of the lands withdrawn and reserved by this title, the Secretary may take such action as the Secretary determines necessary or desirable to effect and maintain such closure.

(2) LIMITATION.—Any closure under paragraph (1) shall be limited to the minimum areas and periods that the Secretary of the Army determines are required for the purposes specified in such paragraph.

(3) NOTICE.—Immediately preceding and during any closure under paragraph (1), the Secretary of the Army shall post appropriate warning notices and take other steps, as necessary, to notify the public of the closure.

(d) INTEGRATED NATURAL RESOURCES MANAGEMENT PLAN.—The Secretary of the Army shall prepare and implement, in accordance with title I of the Sikes Act (16 U.S.C. 670 et seq.), an integrated natural resources management plan for the lands withdrawn and reserved by this title. In addition to the elements required under the Sikes Act, the integrated natural resources management plan shall include the following:

(1) A requirement that any hunting, fishing, and trapping on the lands withdrawn and reserved by this title be conducted in accordance with section 2671 of title 10, United States Code.

(2) A requirement that the Secretary of the Army take necessary actions to prevent, suppress, and manage brush and range fires occurring within the boundaries of Fort Irwin and brush and range fires occurring outside the boundaries of Fort Irwin that result from military activities at Fort Irwin.

(e) FIREFIGHTING.—Notwithstanding section 2465 of title 10, United States Code, the Secretary of the Army may obligate funds appropriated or otherwise available to the Secretary of the Army to enter into a memorandum of understanding, cooperative agreement, or contract for fire fighting services to carry out the requirements of subsection (d)(2). The Secretary of the Army shall reimburse the Secretary of the Interior for costs incurred by the Secretary of the Interior to assist in carrying out the requirements of such subsection.

(f) CONSULTATION WITH NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.—In preparing and implementing any plan, report, assessment, survey, opinion, or impact statement regarding the lands withdrawn and reserved by this title, the Secretary of the Army shall consult with the Administrator of the National Aeronautics and Space Administration whenever proposed Army actions have the potential to affect the operations or the environmental management of the Goldstone Deep Space Communications Complex. The requirement for consultation shall apply, at a minimum, to the following:

(1) Plans for military training, military equipment testing, or related activities that have the potential of impacting communications between Goldstone Deep Space Communications Complex and space flight missions or other transmission or receipt of signals from outer space by the Goldstone Deep Space Communications Complex.

(2) The integrated natural resources management plan required by subsection (d).

(3) The West Mojave Coordinated Management Plan referred to in section 2907.

(4) Any document prepared in compliance with the Endangered Species Act of 1973, the National Environmental Policy Act of 1969, and other laws applicable to the lands withdrawn and reserved by this title.

(g) USE OF MINERAL MATERIALS.—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the Materials Act of 1947, 30 U.S.C. 601 et seq.), the Secretary of the Army may use sand, gravel, or similar mineral material resources of the type subject to disposition under such Act from the lands withdrawn and reserved by this title if the use of such resources is required for construction needs of the National Training Center.

SEC. 2905. WATER RIGHTS.

(a) NO RESERVED WATER RIGHT ESTABLISHED.—Nothing in this title shall be construed—

(1) to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title; or

(2) to authorize the appropriation of water on such lands by the United States after the date of the enactment of this Act, except in accordance with applicable State law.

(b) EFFECT ON PREVIOUSLY ACQUIRED OR RESERVED WATER RIGHTS.—This section shall not be construed to affect any water rights acquired or reserved by the United States before the date of the enactment of this Act, and the Secretary of the Army may exercise any such previously acquired or reserved water rights.

SEC. 2906. ENVIRONMENTAL COMPLIANCE AND ENVIRONMENTAL RESPONSE REQUIREMENTS.

(a) AGREEMENT CONCERNING ENVIRONMENT AND PUBLIC HEALTH.—The Secretary of the Army and the Secretary of the Interior may enter into such agreements concerning the environment and public health as are necessary, appropriate, and in the public interest to carry out the purposes of this title.

(b) RELATION TO OTHER ENVIRONMENTAL LAWS.—Nothing in this section shall be construed to alter the rights, responsibilities, and obligations of the Secretary of the Army or the Secretary of the Interior under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or other environmental laws applicable to the lands withdrawn and reserved by this title.

SEC. 2907. WEST MOJAVE COORDINATED MANAGEMENT PLAN.

(a) COMPLETION.—The Secretary of the Interior shall make every effort to complete the West Mojave Coordinated Management Plan not later than two years after the date of the enactment of this Act.

(b) CONSIDERATION OF WITHDRAWAL AND RESERVATION IMPACTS.—The Secretary of the Interior shall ensure that the West Mojave Coordinated Management Plan considers the impacts of the availability or nonavailability of the lands withdrawn and reserved by this title on the plan as a whole.

(c) CONSULTATION.—The Secretary of the Interior shall consult with the Secretary of the Army and the Administrator of the National Aeronautics and Space Administration in the development of the West Mojave Coordinated Management Plan.

SEC. 2908. RELEASE OF WILDERNESS STUDY AREAS.

Congress hereby finds and directs that lands withdrawn and reserved by this title have been adequately studied for wilderness designation pursuant to section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c)), and are no longer subject to the requirement of such section pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

SEC. 2909. TRAINING ACTIVITY SEPARATION FROM UTILITY CORRIDORS.

(a) REQUIRED SEPARATION.—All military ground activity training on the lands withdrawn and reserved by this title shall remain at least 500 meters from any utility system, in existence as of the date of the enactment of this Act, in Utility Planning Corridor D, as described in the California Desert Conservation Area Plan, dated 1980 and subsequently amended.

(b) EXCEPTION.—Subsection (a) does not modify the use of any lands used, as of the date of the enactment of this Act, by the National Training Center for training or alter any right of access granted by interagency agreement.

SEC. 2910. DURATION OF WITHDRAWAL AND RESERVATION.

(a) TERMINATION DATE.—Unless extended pursuant to section 2911, unless relinquishment is postponed by the Secretary of the Interior pursuant to section 2912(b), and except as provided in section 2912(d), the withdrawal and reservation made by this title shall terminate 25 years after the date of the enactment of this Act.

(b) LIMITATION ON SUBSEQUENT AVAILABILITY FOR APPROPRIATION.—At the time of termination of the withdrawal and reservation made by this title, the previously withdrawn lands shall not be open to any forms

of appropriation under the general land laws, including the mining laws and the mineral and geothermal leasing laws, until the Secretary of the Interior publishes in the Federal Register an appropriate order that shall state the date upon which such lands shall be restored to the public domain and opened.

SEC. 2911. EXTENSION OF INITIAL WITHDRAWAL AND RESERVATION.

(a) NOTIFICATION REQUIREMENT.—Not later than three years before the termination date specified in section 2910(a), the Secretary of the Army shall notify Congress and the Secretary of the Interior concerning whether the Army will have a continuing military need, beyond the termination date, for all or any portion of the lands withdrawn and reserved by this title.

(b) PROCESS FOR EXTENSION OF WITHDRAWAL AND RESERVATION.—

(1) CONSULTATION AND APPLICATION.—If the Secretary of the Army determines that there will be a continuing military need after the termination date for any of the lands withdrawn and reserved by this title, the Secretary of the Army shall—

(A) consult with the Secretary of the Interior concerning any adjustments to be made to the extent of, or to the allocation of management responsibility for, such needed lands; and

(B) file with the Secretary of the Interior, within one year after the notice required by subsection (a), an application for extension of the withdrawal and reservation of such needed lands.

(2) APPLICATION REQUIREMENTS.—Notwithstanding any general procedure of the Department of the Interior for processing Federal land withdrawals, an application for extension of the land withdrawal and reservation made by this title shall be considered to be complete if the application includes the information required by section 3 of Public Law 85–337 (commonly known as the Engle Act; 43 U.S.C. 157), except that no information shall be required concerning the use or development of mineral, timber, or grazing resources unless, and only to the extent, the Secretary of the Army proposes to use or develop such resources during the period of extension.

(c) SUBMISSION OF PROPOSED EXTENSION TO CONGRESS.—The Secretary of the Interior and the Secretary of the Army may submit to Congress a legislative proposal for the extension of the withdrawal and reservation made by this title. The legislative proposal shall be accompanied by an appropriate analysis of environmental impacts associated with the proposal, as required by section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

SEC. 2912. TERMINATION AND RELINQUISHMENT.

(a) NOTICE OF TERMINATION.—During the first 22 years of the withdrawal and reservation made by this title, if the Secretary of the Army determines that there is no continuing military need for the lands withdrawn and reserved by this title, or any portion of such lands, the Secretary of the Army shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands. The notice shall specify the proposed date of relinquishment.

(b) ACCEPTANCE OF JURISDICTION.—The Secretary of the Interior may accept jurisdiction over any lands covered by a notice under subsection (a) if the Secretary of the Interior determines that the Secretary of the Army has taken or will take all environmental response and restoration activities required under applicable laws and regulations.

(c) NOTICE OF ACCEPTANCE.—If the Secretary of the Interior decides to accept jurisdiction over lands covered by a notice under subsection (a) before the termination date of the withdrawal and reservation, the Secretary shall publish in the Federal Register an appropriate order that shall—

(1) terminate the withdrawal and reservation of such lands under this title;

(2) constitute official acceptance of administrative jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which such lands shall be opened to the operation of the general land laws, including the mining laws and the mineral and geothermal leasing laws, if appropriate.

(d) RETAINED ARMY JURISDICTION.—Notwithstanding the termination date specified in section 2910, unless and until the Secretary of the Interior accepts jurisdiction of land proposed for relinquishment pursuant to this section, such land shall remain withdrawn and reserved for the Secretary of the Army for the limited purposes of environmental response and restoration actions under section 2906 and continued land management responsibilities pursuant to the integrated natural resources management plan required under section 2904, until such environmental response and restoration activities on those lands are completed.

(e) SEVERABILITY OF FUNCTIONS.—All functions described under this section, including transfers, relinquishments, extensions, and other determinations, may be made on a parcel-by-parcel basis.

SEC. 2913. DELEGATION OF AUTHORITY.

(a) SECRETARY OF THE ARMY.—The Secretary of the Army may delegate to officials in the Department of the Army such functions as the Secretary of the Army may determine appropriate to carry out this title.

(b) SECRETARY OF THE INTERIOR.—The functions of the Secretary of the Interior under this title may be delegated, except that the order described in section 2912(c) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

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.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for the activities of the National Nuclear Security Administration in carrying out programs necessary for national security in the amount of $6,859,895,000, to be allocated as follows:

(1) WEAPONS ACTIVITIES.—For weapons activities, $5,369,488,000, to be allocated as follows:

(A) For stewardship operation and maintenance, $4,527,192,000, to be allocated as follows:

(i) For directed stockpile work, $1,043,791,000.

(ii) For campaigns, $2,036,413,000, to be allocated as follows:

(I) For operation and maintenance, $1,653,441,000.

(II) For construction, $382,972,000, to be allocated as follows:

Project 01–D–101, distributed information systems laboratory, Sandia National Laboratories, Livermore, California, $5,400,000.

Project 00–D–103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, $20,000,000.

Project 00–D–105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, $11,070,000.

Project 00–D–107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $5,377,000.

Project 98–D–125, tritium extraction facility, Savannah River Plant, Aiken, South Carolina, $81,125,000.

Project 98–D–126, accelerator production of tritium (APT), various locations, $15,000,000.

Project 96–D–111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, $245,000,000.

(iii) For readiness in technical base and facilities, $1,446,988,000, to be allocated as follows:

(I) For operation and maintenance, $1,292,324,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $154,664,000, to be allocated as follows:

Project 02–D–101, microsystems and engineering sciences applications (MESA), Sandia National Laboratories, Albuquerque, New Mexico, $2,000,000.

Project 02–D–103, project engineering and design (PED), various locations, $9,180,000.

Project 02–D–107, electrical power systems safety communications and bus upgrades, Nevada Test Site, Nevada, $3,507,000.

Project 01–D–103, preliminary project design and engineering, various locations, $45,379,000.

Project 01–D–124, highly enriched uranium (HEU) materials storage facility, Y–12 Plant, Oak Ridge, Tennessee, $9,500,000.

Project 01–D–126, weapons evaluation test laboratory, Pantex Plant, Amarillo, Texas, $7,700,000.

Project 01–D–800, sensitive compartmented information facility, Lawrence Livermore National Laboratory, Livermore, California, $12,993,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $4,400,000.

Project 99–D–104, protection of real property (roof reconstruction, phase II), Lawrence Livermore National Laboratory, Livermore, California, $2,800,000.

Project 99–D–106, model validation and system certification center, Sandia National Laboratories, Albuquerque, New Mexico, $4,955,000.

Project 99–D–125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, $300,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City plant, Kansas City, Missouri, $22,200,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant, Amarillo, Texas, $3,300,000.

Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Plant, Aiken, South Carolina, $13,700,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 consolidation, Oak Ridge, Tennessee, $6,850,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $3,000,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $2,900,000.

(B) For facilities and infrastructure, $50,600,000.

(C) For secure transportation asset, $121,800,000, to be allocated as follows:

(i) For operation and maintenance, $77,571,000.

(ii) For program direction, $44,229,000.

(D) For safeguards and security, $448,881,000, to be allocated as follows:

(i) For operations and maintenance, $439,281,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $9,600,000, to be allocated as follows:

Project 99–D–132, stockpile management restructuring initiative, nuclear material safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,600,000.

(E) For program direction, $250,000,000.

(F) The total amount authorized by this paragraph is the sum of the amounts authorized to be appropriated by subparagraphs (A) through (E), reduced by $28,985,000, to be derived from a security charge for reimbursable work.

(2) DEFENSE NUCLEAR NONPROLIFERATION.—For other nuclear security activities, $773,700,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $206,102,000, to be allocated as follows:

(i) For operation and maintenance, $170,296,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $35,806,000, to be allocated as follows:

Project 00–D–192, nonproliferation and international security center (NISC), Los Alamos National Laboratory, Los Alamos, New Mexico, $35,806,000.

(B) For arms control, $101,500,000.

(C) For international materials protection, control, and accounting, $138,800,000.

(D) For highly enriched uranium transparency implementation, $13,950,000.

(E) For international nuclear safety, $10,800,000.

(F) For fissile materials control and disposition, $293,089,000, to be allocated as follows:

(i) For United States surplus fissile materials disposition, $236,089,000, to be allocated as follows:

(I) For operation and maintenance, $130,089,000.

(II) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $106,000,000, to be allocated as follows:

Project 01–D–407, highly enriched uranium blend-down, Savannah River Site, Aiken, South Carolina, $24,000,000.

Project 99–D–141, pit disassembly and conversion facility, Savannah River Site, Aiken, South Carolina, $16,000,000.

Project 99–D–143, mixed oxide fuel fabrication facility, Savannah River Site, Aiken, South Carolina, $63,000,000.

Project 99–D–142, immobilization and associated processing facility, Savannah River Site, Aiken, South Carolina, $3,000,000.

(ii) For Russian surplus fissile materials disposition, $57,000,000, to be allocated as follows:

(I) For Russian plutonium disposition, and support and oversight in the United States, $56,000,000.

(II) For advanced reactor technology, $1,000,000.

(G) For program direction, $51,459,000.

(H) The total amount authorized by this paragraph is the sum of the amounts authorized to be appropriated by subparagraphs (A) through (G), reduced by $42,000,000, to be derived from offsets and use of prior year balances.

(3) NAVAL REACTORS.—For naval reactors, $688,045,000, to be allocated as follows:

(A) For naval reactors development, $665,445,000, to be allocated as follows:

(i) For operation and maintenance, $652,245,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $13,200,000, to be allocated as follows:

Project 01–D–200, major office replacement building, Schenectady, New York, $9,000,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $4,200,000.

(B) For program direction, $22,600,000.

(4) DEFENSE NUCLEAR COUNTERINTELLIGENCE.—For defense nuclear counterintelligence, $13,662,000.

(5) OFFICE OF ADMINISTRATOR FOR NUCLEAR SECURITY.—For the Office of the Administrator for Nuclear Security, for program direction, $15,000,000.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for environmental restoration and waste management activities in carrying out programs necessary for national security in the amount of $4,646,427,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7277n), $1,050,538,000.

(2) SITE/PROJECT COMPLETION.—For site completion and project completion in carrying out environmental management activities necessary for national security programs, $920,196,000, to be allocated as follows:

(A) For operation and maintenance, $872,030,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $48,166,000, to be allocated as follows:

Project 02–D–420, FB line plutonium stabilization and packaging, Savannah River Site, Aiken, South Carolina, $20,000,000.

Project 01–D–402, Intec cathodic protection system expansion, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $3,256,000.

Project 01–D–414, preliminary project, engineering and design (PE&D), various locations, $10,254,000.

Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $5,040,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $2,700,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $1,910,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $4,244,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $762,000.

(3) POST-2006 COMPLETION.—For post-2006 completion in carrying out environmental restoration and waste management activities necessary for national security programs, $3,021,201,000, to be allocated as follows:

(A) For operation and maintenance, $1,761,979,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $6,754,000, to be allocated as follows:

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $6,754,000.

(C) For the Office of River Protection in carrying out environmental restoration and waste management activities necessary for national security programs, $832,468,000, to be allocated as follows:

(i) For operation and maintenance, $272,151,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $560,317,000, to be allocated as follows:

Project 01–D–416, waste treatment and immobilization plant, Richland, Washington, $520,000,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $33,473,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $6,844,000.

(4) SCIENCE AND TECHNOLOGY DEVELOPMENT.—For science and technology development in carrying out environmental restoration and waste management activities necessary for national security programs, $196,000,000.

(5) EXCESS FACILITIES.—For excess facilities in carrying out environmental restoration and waste management activities necessary for national security programs, $1,300,000.

(6) SAFEGUARDS AND SECURITY.—For safeguards and security in carrying out environmental restoration and waste management activities necessary for national security programs, $205,621,000.

(7) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs, $355,761,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (1) through (7) of that subsection, reduced by $53,652,000, to be derived from offsets and use of prior year balances.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for other defense activities in carrying out programs necessary for national security in the amount of $502,099,000, to be allocated as follows:

(1) INTELLIGENCE.—For intelligence, $40,844,000.

(2) COUNTERINTELLIGENCE.—For counterintelligence, $32,727,000.

(3) SECURITY AND EMERGENCY OPERATIONS.—For security and emergency operations, $269,250,000, to be allocated as follows:

(A) For nuclear safeguards and security, $121,188,000.

(B) For security investigations, $44,927,000.

(C) For corporate management information programs, $20,000,000.

(D) For program direction, $83,135,000.

(4) INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE.—For independent oversight and performance assurance, $14,904,000.

(5) ENVIRONMENT, SAFETY, AND HEALTH.—For the Office of Environment, Safety, and

Health, $105,293,000, to be allocated as follows:

(A) For environment, safety, and health (defense), $84,500,000.

(B) For program direction, $20,793,000.

(6) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, $21,900,000, to be allocated as follows:

(A) For worker and community transition, $19,000,000.

(B) For program direction, $2,900,000.

(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $2,893,000.

(8) NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT.—For national security programs administrative support, $25,000,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a) is the total of the amounts authorized to be appropriated by paragraphs (1) through (8) of that subsection, reduced by $10,712,000, of which $10,000,000 is to reflect an offset provided by use of prior year balances and $712,000 is to reflect an offset provided by user organizations for security investigations.

SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $126,208,000, to be allocated as follows:

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $49,332,000.

Project 97–PVT–2, advanced mixed waste treatment project Idaho Falls, Idaho, $40,000,000.

Project 97–PVT–3, transuranic waste treatment, Oak Ridge, Tennessee, $10,826,000.

Project 98–PVT–5, environmental management/waste management disposal, Oak Ridge, Tennessee, $26,050,000.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002 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 $310,000,000.

SEC. 3106. INCREASED AMOUNT FOR NONPROLIFERATION AND VERIFICATION.

(a) NATIONAL NUCLEAR SECURITY ADMINISTRATION.—The amounts provided in section 3101 for activities of the National Nuclear Security Administration, and in paragraph (2) of that section for defense nuclear nonproliferation, are each hereby increased by $10,000,000, for operation and maintenance for nonproliferation and verification research and development (and the amounts provided in subparagraph (A) of such paragraph (2) and in clause (i) of such subparagraph are each hereby increased by such amount).

(b) OFFSET.—The amount provided in section 301(5) is hereby reduced by $10,000,000, to be derived from amounts for consulting services.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year, the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) 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.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, authorized by 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) does not apply to a construction project with a current estimated cost of less than $5,000,000.

SEC. 3124. 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 this title 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) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. 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) Not more than 5 percent of any such authorization may be transferred between authorizations 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 section 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 Committees on Armed Services of the Senate and House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT OF CONCEPTUAL DESIGN.—(1) 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) 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) 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 $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy 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) 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. 3126. 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 an authorization in this title, including funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, 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 any 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 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title 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.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2003.

SEC. 3129. TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS AT FIELD OFFICES OF THE DEPARTMENT OF ENERGY.

(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 the office to another such program or project.

(b) LIMITATIONS.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.

(3) 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 to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.

(4) 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 3121 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, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102.

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(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.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during fiscal year 2002.

SEC. 3130. TRANSFERS OF WEAPONS ACTIVITIES FUNDS AT NATIONAL SECURITY LABORATORIES AND NUCLEAR WEAPONS PRODUCTION FACILITIES.

(a) TRANSFER AUTHORITY.—The Secretary of Energy, acting through the Administrator for Nuclear Security, shall provide the head of each national security laboratory and nuclear weapons production facility with the authority to transfer weapons activities funds from a program under the jurisdiction of such laboratory or facility to another such program.

(b) LIMITATIONS.—(1) The amount transferred under subsection (a) by a laboratory or facility in a fiscal year may not exceed the lesser of—

(A) $5,000,000; and

(B) 10 percent of the total weapons activities funds available to that laboratory or facility in that fiscal year for programs under the jurisdiction of such laboratory or facility.

(2) A transfer may not be carried out under subsection (a) unless the head of the laboratory or facility determines that the transfer will result in cost savings and efficiencies.

(3) A transfer may not be carried out under subsection (a) to cover a cost overrun or scheduling delay for any program.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied, limited, or increased funds or for a new program that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 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'' means, with respect to a national security laboratory or nuclear weapons production facility, any of the following:

(A) A program referred to or listed in paragraph (1) of section 3101.

(B) A program not described in subparagraph (A) that is for weapons production or weapons component production of the National Nuclear Security Administration that is being carried out by the laboratory or facility, and for which weapons activities funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term ''weapons activities funds'' means funds appropriated to the Department of Energy pursuant to an authorization for weapons activities of the National Nuclear Security Administration in carrying out programs necessary for national security.

(3) The terms ''national security laboratory'' and ''nuclear weapons production facility'' have the meanings given such terms in section 3281 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 968; 50 U.S.C. 2471).

(f) DURATION OF AUTHORITY.—The heads of the national security laboratories and nuclear weapons production facilities may exercise the authority provided under subsection (a) during fiscal year 2002.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. TERMINATION DATE OF OFFICE OF RIVER PROTECTION, RICHLAND, WASHINGTON.

Subsection (f) of section 3139 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2250), as amended by section 3141 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–462), is amended to read as follows:

''(f) TERMINATION.—(1) The Office shall terminate on the later to occur of the following dates:

''(A) September 30, 2010.

''(B) The date on which the Assistant Secretary of Energy for Environmental Management determines, in consultation with the head of the Office, that continuation of the Office is no longer necessary to carry out the responsibilities of the Department of Energy under the Tri-Party Agreement.

''(2) The Assistant Secretary shall notify, in writing, the committees referred to in subsection (d) of a determination under paragraph (1).

''(3) In this subsection, the term 'Tri-Party Agreement' means the Hanford Federal Facility Agreement and Consent Order entered into among the Department of Energy, the Environmental Protection Agency, and the State of Washington Department of Ecology.''.

SEC. 3132. ORGANIZATIONAL MODIFICATIONS FOR NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) ESTABLISHMENT OF PRINCIPAL DEPUTY ADMINISTRATOR.—(1) Subtitle A of the National Nuclear Security Administration Act is amended by inserting after section 3213 (50 U.S.C. 2403) the following new section:

''SEC. 3213A. PRINCIPAL DEPUTY ADMINISTRATOR.

''(a) IN GENERAL.—(1) There is in the Administration a Principal Deputy Administrator, who is appointed by the President, by and with the advice and consent of the Senate.

''(2) The Principal Deputy Administrator shall be appointed from among persons who—

''(A) have extensive background in national security, organizational management, and appropriate technical fields; and

''(B) are well qualified to manage the nuclear weapons, nonproliferation, and materials disposition programs of the Administration in a manner that advances and protects the national security of the United States.

''(b) DUTIES.—Subject to the authority, direction, and control of the Administrator, the Principal Deputy Administrator shall perform such duties and exercise such powers as the Administrator may prescribe, including the coordination of activities among the elements of the Administration. The Principal Deputy Administrator shall act for, and exercise the powers of, the Administrator when the Administrator is disabled or the position of Administrator is vacant.''.

(2) The table of contents preceding section 3201 of such Act is amended by inserting after the item relating to section 3213 the following new item:

''Sec. 3213A. Principal Deputy Administrator.''.

(3) Section 5315 of title 5, United States Code, is amended—

(A) by inserting before the item relating to Deputy Administrators of the National Nuclear Security Administration the following new item:

''Principal Deputy Administrator, National Nuclear Security Administration.''; and

(B) by inserting ''Additional'' before ''Deputy Administrators of the National Nuclear Security Administration''.

(b) ELIMINATION OF REQUIREMENT THAT NATIONAL SECURITY LABORATORIES AND NUCLEAR WEAPONS PRODUCTION FACILITIES REPORT TO DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS.—Section 3214 of the National Nuclear Security Administration Act (50 U.S.C. 2404) is amended by striking subsection (c).

(c) REPEAL OF DUPLICATIVE PROVISION.—Section 3245 of the National Nuclear Security Administration Act (50 U.S.C. 2443) is repealed.

SEC. 3133. CONSOLIDATION OF NUCLEAR CITIES INITIATIVE PROGRAM WITH INITIATIVES FOR PROLIFERATION PREVENTION PROGRAM.

The Administrator for Nuclear Security shall consolidate the Nuclear Cities Initiative program with the Initiatives for Proliferation Prevention program under a single management line. The consolidation shall be completely accomplished not later than July 1, 2002.

SEC. 3134. DISPOSITION OF SURPLUS DEFENSE PLUTONIUM AT SAVANNAH RIVER SITE, AIKEN, SOUTH CAROLINA.

(a) CONSULTATION REQUIRED.—The Secretary of Energy shall consult with the Governor of the State of South Carolina regarding any decisions or plans of the Secretary related to the disposition of surplus defense plutonium located at the Savannah River Site, Aiken, South Carolina, including the plan required by subsection (b).

(b) PLAN FOR DISPOSITION.—Not later than February 1, 2002, the Secretary shall submit to Congress a plan for disposal of the surplus defense plutonium currently located at the Savannah River Site and for disposal of defense plutonium and defense plutonium materials to be shipped to the Savannah River Site in the future. The plan shall review each option considered for such disposal, identify the preferred option, and state the cost of construction and operation of the facilities required by the Department of Energy's Record of Decision for the Storage and Disposition of Weapons-Usable Fissile Materials Final Programmatic Environmental Impact Statement dated January 14, 1997. The plan shall also specify a schedule for the expeditious construction of such facilities, including milestones, and a firm schedule for funding the cost of such facilities. The plan shall specify, in addition, the means by which all such plutonium will be removed in a timely manner from the Savannah River Site for storage or disposal elsewhere.

(c) REQUIREMENT FOR ALTERNATIVE DISPOSITION.—If the Secretary determines that proceeding with construction of the Plutonium Immobilization Plant at the Savannah River Site is not feasible, the Department shall modify the design of the Mixed Oxide Fuel Fabrication facility at the Savannah River Site so that it includes an immobilization capability. If the Secretary determines that proceeding with the Mixed Oxide Fuel Fabrication facility is not feasible, the Department shall proceed with construction of the Plutonium Immobilization Plant.

(d) LIMITATION ON PLUTONIUM SHIPMENTS.—If the plan required in subsection (b) is not submitted to Congress by February 1, 2002, the Secretary shall be prohibited from shipping defense plutonium or defense plutonium materials to the Savannah River Site during the period beginning on February 1, 2002, and ending on the date on which such plan is submitted to Congress.

SEC. 3135. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) SUPPORT FOR FISCAL 2002.—From amounts appropriated or otherwise made available to the Secretary of Energy by this title—

(1) $5,000,000 shall be available for payment by the Secretary for fiscal year 2002 to the not-for-profit Los Alamos National Laboratory Foundation, as chartered in accordance with section 3167(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2052); and

(2) $8,000,000 shall be available for extension of the contract between the Department of Energy and the Los Alamos Public Schools through fiscal year 2002.

(b) SUPPORT FOR FISCAL 2003.—Subject to the availability of appropriations, the Secretary is authorized to—

(1) make payment for fiscal year 2003 similar to the payment referred to in subsection (a)(1); and

(2) provide for a contract extension through fiscal 2003 similar to the contract extension referred to in subsection (a)(2).

(c) USE OF FUNDS.—The foundation referred to in subsection (a)(1) 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 payments made under this section to fund programs to support the educational needs of children in public schools in the vicinity of Los Alamos National Laboratory.

(d) REPORT.—Not later than March 1, 2002, the Secretary shall submit to the congressional defense committees a report setting forth the following:

(1) An evaluation of the requirements for continued payments beyond fiscal year 2003 into the endowment fund of the foundation referred to in subsection (a) to enable the foundation to meet the goals of the Department to support the recruitment and retention of staff at the Los Alamos National Laboratory.

(2) The Secretary's recommendations for any further support beyond fiscal year 2003 directly to the Los Alamos Public Schools.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 2002, $18,500,000 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. DEFINITIONS.

In this title:

(1) The term ''National Defense Stockpile'' means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term ''National Defense Stockpile Transaction Fund'' means the fund established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

(3) The term ''Market Impact Committee'' means the Market Impact Committee appointed under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2002, the National Defense Stockpile Manager may obligate up to $65,200,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)), including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. DISPOSAL OF OBSOLETE AND EXCESS MATERIALS CONTAINED IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED.—Subject to subsection (b), the President may dispose of certain materials contained in the National Defense Stockpile that are obsolete or excess to stockpile requirements, in the quantities specified in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Bauxite, Refractory	40,000 short tons
Chromium Metal	3,512 short tons
Iridium	25,140 troy ounces
Jewel Bearings	30,273,221 pieces
Manganese, Ferro HC	209,074 short tons
Palladium	11 troy ounces
Quartz Crystal	216,648 pounds
Tantalum Metal Ingot	120,228 pounds of contained Tantalum
Tantalum Metal Powder	36,020 pounds of contained Tantalum
Thorium Nitrate	600,000 pounds

(b) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of materials under subsection (a), the President shall consult with the Market Impact Committee to ensure that the disposal of the materials does not disrupt the usual markets of producers, processors, and consumers of the materials.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in the table in such subsection.

SEC. 3304. EXPEDITED IMPLEMENTATION OF AUTHORITY TO DISPOSE OF COBALT FROM NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED DURING FISCAL YEAR 2002.—Subsection (a)(1) of section 3305 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 50 U.S.C. 98d note) is amended by striking ''fiscal year 2003'' and inserting ''the two-fiscal year period ending September 30, 2003''.

(b) LIMITATIONS ON DISPOSAL AUTHORITY.—Subsection (b)(1) of such section is amended by adding at the end the following new sentence: ''The total quantity of cobalt disposed of under such subsection during fiscal year 2002 may not exceed 700,000 pounds.''.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $17,371,000 for fiscal year 2002 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 2002.

Funds are hereby authorized to be appropriated for fiscal year 2002, 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, $89,054,000.

(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.), $103,978,000, of which—

(A) $100,000,000 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) $3,978,000 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, $10,000,000.

SEC. 3502. DEFINE "WAR RISKS" TO VESSELS TO INCLUDE CONFISCATION, EXPROPRIATION, NATIONALIZATION, AND DEPRIVATION OF THE VESSELS.

Section 1201(c) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1281(c)) is amended to read as follows:

''(c) The term 'war risks' includes to such extent as the Secretary may determine—

''(1) all or any part of any loss that is excluded from marine insurance coverage under a 'free of capture or seizure' clause, or under analogous clauses; and

''(2) other losses from hostile acts, including confiscation, expropriation, nationalization, or deprivation.''.

SEC. 3503. HOLDING OBLIGOR'S CASH AS COLLATERAL UNDER TITLE XI OF MERCHANT MARINE ACT, 1936.

Title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.) is amended by inserting after section 1108 the following:

''SEC. 1109. DEPOSIT FUND.

''(a) ESTABLISHMENT OF DEPOSIT FUND.—There is established in the Treasury a deposit fund for purposes of this section. The Secretary may, in accordance with an agreement under subsection (b), deposit into and hold in the deposit fund cash belonging to an obligor to serve as collateral for a guarantee under this title made with respect to the obligor.

''(b) AGREEMENT.—

''(1) IN GENERAL.—The Secretary and an obligor shall enter into a reserve fund or other collateral account agreement to govern the deposit, withdrawal, retention, use, and reinvestment of cash of the obligor held in the deposit fund established by subsection (a).

''(2) TERMS.—The agreement shall contain such terms and conditions as are required under this section and such additional terms as are considered by the Secretary to be necessary to protect fully the interests of the United States.

''(3) SECURITY INTEREST OF UNITED STATES.—The agreement shall include terms that grant to the United States a security interest in all amounts deposited into the deposit fund.

''(c) INVESTMENT.—The Secretary may invest and reinvest any part of the amounts in the deposit fund established by subsection (a) in obligations of the United States with such maturities as ensure that amounts in the deposit fund will be available as required for purposes of agreements under subsection (b). Cash balances of the deposit fund in excess of current requirements shall be maintained in a form of uninvested funds and the Secretary of the Treasury shall pay interest on these funds.

''(d) WITHDRAWALS.—

''(1) IN GENERAL.—The cash deposited into the deposit fund established by subsection (a) may not be withdrawn without the consent of the Secretary.

''(2) USE OF INCOME.—Subject to paragraph (3), the Secretary may pay any income earned on cash of an obligor deposited into the deposit fund in accordance with the terms of the agreement with the obligor under subsection (b).

''(3) RETENTION AGAINST DEFAULT.—The Secretary may retain and offset any or all of the cash of an obligor in the deposit fund, and any income realized thereon, as part of the Secretary's recovery against the obligor in case of a default by the obligor on an obligation.''.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOTION TO GO TO CONFERENCE ON S. 1438

Mr. STUMP. Mr. Speaker, by direction of the Committee on Armed Services and pursuant to clause 1 of rule XXII, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the privileged motion.

The Clerk read as follows:

Mr. Stump moves that the House take from the Speaker's table the bill S. 1438, with the House amendment thereto, insist on the House amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. STUMP).

The motion was agreed to.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SKELTON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the bill S. 1438 be instructed to agree to the provisions contained in section 652 of the Senate bill, relating to Survivor Benefit Plan eligibility of survivors of retirement-ineligible members of the uniformed services who die on active duty.

The SPEAKER pro tempore. The gentleman from Missouri (Mr. SKELTON) will be recognized for 30 minutes, and the gentleman from Arizona (Mr. STUMP) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer this motion to instruct the conferees which instructs the conferees on the National Defense Authorization Act of fiscal year 2002 to recede and accept section 652 of the Senate-passed bill. This section would authorize survivors of nonretirement-eligible service members who die while on active duty to participate in this Survivor Benefit Plan.

The tragic attack on the Pentagon on September 11 has brought to light inequitable treatment between Survivor Benefit Plan participants who die while on active duty and those who retire or are retirement eligible. Under the current Survivor Benefit Plan, known as SPB, only retired or retirement-eligible service members are entitled to participate in this program.

Upon retirement, including medical retirement, a service member pays monthly premiums which entitle his or her survivors to an annuity upon the service member's death. However, if a service member is not retirement eligible, his or her dependents are not entitled to receive SPB if this service member dies.

For example, let us say there are three active duty service members on a helicopter, Alpha, Bravo and Charlie, on deployment somewhere in the Middle East. Alpha has served for over 20 years. Bravo and Charlie have served for 19½ years. The helicopter crashes. Alpha, who is retirement eligible and participates in SPB, perishes in the crash. Since he is retirement eligible, his dependents are eligible to receive an annuity.

Bravo, who has served 19½ years, survives the crash and is medically retired, but passes away. Because he is medically retired, his survivors also are entitled to an SPB annuity.

Charlie, on the other hand, also has served 19½ years, and he perishes in the crash. Because he is not retirement eligible, his survivors are not entitled to any SPB annuity.

The difference in benefit eligibility is determined by whether or not the service member is retired or retirement eligible at the time of death.

Mr. Speaker, the situation I just described played out in real life, sadly, on September 11, when that airplane crashed into the Pentagon. SPB participants were treated differently depending on whether they were retired, retirement eligible or not. That is simply not fair. We owe it to those who

gave their lives on that fateful day to fix this inequity.

Section 652 of the Senate-passed Defense Authorization Act would correct this injustice. My motion instructs the conferees to agree to this provision.

We have a moral obligation to ensure that those who volunteer to defend this Nation in uniform are treated fairly and equitably. I strongly urge my colleagues to support this motion to instruct conferees to accept section 652. It is not only the honorable thing to do; it is the right thing to do.

Mr. Speaker, I reserve the balance of my time.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the motion of the gentleman in that it endorses the provision of the Senate bill that would broaden the Survivors Benefit Plan to include members of the armed services who die while on active duty. Providing this coverage is fair and the right thing to do. It ensures that an annuity will be paid to the surviving family of service members who die while on active duty.

I commend the gentleman from Missouri for offering this motion and urge my colleagues to support it.

Mr. REYES. Mr. Speaker, I rise today to offer a motion to instruct the House conferees to the National Defense Authorization Act of 2002 to accept Section 652, Title VI, Subtitle D of the Senate Bill, passed in the Senate on October 2, 2001. This section would correct the inequity in survivor benefits offered to survivors of retirement ineligible members of the uniformed services who die while on active duty.

The Survivor Benefit Plan provides an annuity to dependents of military retirees or retirement eligible service members. When a retirement ineligible service member dies while on active duty, family members receive Dependency and Indemnity Compensation, while offers a lesser benefit than that offered to families of retired or retirement eligible service members.

In cases where an active duty service member suffers from a prolonged illness, the military has ample time to medically retire this person, regardless of whether or not that person is retirement eligible. But, in cases where service members are fatally injured while on active duty, prior to becoming retirement eligible, medical personnel have been forced to go to extreme lengths to keep these members, who are clinically dead, alive while personnel specialists scramble to process retirement paperwork before the service member is pronounced dead. In the case of the attack on the Pentagon on September 11, many service members were killed instantly and so there was no opportunity to medically retire these people. Therefore, retirement ineligible victim's families will receive the Dependency and Indemnity Compensation, a lesser benefit.

The most striking example of this inequity would be if, for example, a plane crash occurred. Some of the victims were killed immediately, while others were kept alive long enough to be medically retired. The families of those victims who were kept alive long enough for medical retirement would receive a much better benefit package, the Survivor Benefit Plan, than those who were killed instantly, who would receive Dependency and Indemnity Compensation, even though all were involved in the same accident!

In Vietnam in April of 2001, while surveying potential sites for excavation to recover remains of Americans who were missing in action from the Vietnam War, a helicopter crashed, killing sixteen. Benefit packages for families of two of those victims were calculated, based on what their families would receive if their deaths were on ''active duty'' compared to what would be received if their deaths occurred after being ''medically retired.'' In the case of Lieutenant Colonel Cory, if he had been medically retired, his family would have received Survivor Benefits, which amounts to $750 more a month than the active duty Dependency and Indemnity Compensation, which they now receive. In the case of Sergeant First Class Murphy, another victim of the crash, his wife and two children are receiving $313 less a month than what they would have been entitled if he had been medically retired. Both of these soldiers were retirement eligible, but because they were killed instantly, there was no time to process paperwork, their families now suffer financial loss on top of losing a loved one.

Unless this provision is accepted and included in the Fiscal Year 2002 Defense Authorization Act, the families of victims of tragedy who were retirement ineligible will receive fewer benefits than if there had been the opportunity to complete medical retirement paperwork. All of these families have suffered enough. There a disparity in the current law, and this provision aims to correct that disparity.

Many leaders has stepped forward in support of this provision. General Hugh Shelton, former Chairman of the Joint Chiefs of Staff stated during his tenure that ''in the absence of legislative relief, medical retirement requirements place an undue burden on both commanders in the field and fleet and, more tragically, on families that are denied important and deserving benefits.''

I urge my colleagues to support the motion to instruct the conferees to accept the Senate provision and provide survivor benefits to family members of those who die while on active duty.

Mr. STUMP. Mr. Speaker, I yield back the balance of my time.

Mr. SKELTON. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Missouri (Mr. SKELTON).

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees; and, without objection, the list will be printed at this point in the RECORD.

There was no objection.

From the Committee on Armed Services, for consideration of the Senate bill and the House amendment, and modifications committed to conference: Messrs. STUMP, HUNTER, HANSEN, WELDON of Pennsylvania, HEFLEY, SAXTON, MCHUGH, EVERETT, BARTLETT of Maryland, MCKEON, WATTS of Oklahoma, THORNBERRY, HOSTETTLER, CHAMBLISS, SKELTON, SPRATT, ORTIZ, EVANS, TAYLOR of Mississippi, ABERCROMBIE, MEEHAN, UNDERWOOD, ALLEN, and SNYDER.

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 11 of rule X: Messrs. GOSS, BEREUTER, and Ms. PELOSI.

From the Committee on Education and the Workforce, for consideration of secs. 304, 305, 1123, 3151, and 3157 of the Senate bill, and secs. 341, 342, 509, and 584 of the House amendment, and modifications committed to conference: Messrs. CASTLE, ISAKSON, and GEORGE MILLER of California.

From the Committee on Energy and Commerce, for consideration of secs. 314, 316, 601, 663, 3134, 3141, 3143, 3152, 3153, 3159, 3171–3181, and 3201 of the Senate bill, and secs. 601, 3131, 3132, and 3201 of the House amendment, and modifications committed to conference: Messrs. TAUZIN, BARTON, and DINGELL.

From the Committee on Government Reform, for consideration of secs. 564, 622, 803, 813, 901, 1044, 1047, 1051, 1065, 1075, 1102, 1111–1113, 1124–1126, 2832, 3141, 3144, and 3153 of the Senate bill, and secs. 333, 519, 588, 802, 803, 811–819, 1101, 1103–1108, 1110, and 3132 of the House amendment, and modifications committed to conference: Messrs. BURTON, WELDON of Florida, and WAXMAN.

Provided that Mr. DAVIS of Virginia is appointed in lieu of Mr. WELDON (FL) for consideration of secs. 803 and 2832 of the Senate bill, and secs. 333 and 803 of the House amendment, and modifications committed to conference.

Provided that Mr. HORN is appointed in lieu of Mr. WELDON (FL) for consideration of secs. 811–819 of the House amendment, and modifications committed to conference.

From the Committee on House Administration, for consideration of secs. 572, 574–577, and 579 of the Senate bill, and sec. 552 of the House amendment, and modifications committed to conference: Messrs. NEY, MICA, and HOYER.

From the Committee on International Relations, for consideration of secs. 331, 333, 1201–1205, 1211–1218 of the Senate bill, and secs. 1011, 1201, 1202, 1205, 1209, Title XIII, and sec. 3133 of the House amendment, and modifications committed to conference: Messrs. HYDE, GILMAN, and LANTOS.

From the Committee on Judiciary, for consideration of secs. 821, 1066, 3151 of the senate bill, and secs. 323 and 818 of the House amendment, and modifications committed to conference: Messrs. SENSENBRENNER, SMITH of Texas, and CONYERS.

From the Committee on Resources, for consideration of secs. 601, 663, 2823, and 3171–3181 of the Senate bill, and secs. 601, 1042, 2841, 2845, 2861–2863, 2865, and Title XXIX of the House amendment, and modifications committed to conference: Messrs. GIBBONS, RADANOVICH, and RAHALL.

Provided that Mr. UDALL of Colorado is appointed in lieu of Mr. RAHALL for consideration of secs. 3171–3181 of the Senate bill, and modifications committed to conference.

From the Committee on Science for consideration of secs. 1071 and 1124 of the Senate bill, and modifications committed to conference: Messrs. BOEHLERT, SMITH of Michigan, and HALL of Texas.

Provided that Mr. EHLERS is appointed in lieu of Mr. SMITH (MI) for consideration of sec. 1124 of the Senate bill, and modifications committed to conference.

From the Committee on Small Business, for consideration of secs. 822–824 and 1068 of

the Senate bill, and modifications committed to conference: Messrs. MANZULLO, COMBEST, and Ms. VELAZQUEZ.

From the Committee on Transportation and Infrastructure, for consideration of secs. 563, 601, and 1076 of the Senate bill, and secs. 543, 544, 601, 1049, and 1053 of the House amendment, and modifications committed to conference: Messrs. YOUNG of Alaska, LOBIONDO, and BROWN of Florida.

Provided that Mr. PASCRELL is appointed in lieu of Mr. BROWN (FL) for consideration of sec. 1049 of the House amendment, and modifications committed to conference.

From the Committee on Veterans Affairs, for consideration of secs. 538, 539, 573, 651, 717, and 1064 of the Senate bill, and sec. 641 of the House amendment, and modifications committed to conference: Messrs. SMITH of New Jersey, BILIRAKIS, and FILNER.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON S. 1438, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002

Mr. STUMP. Mr. Speaker, pursuant to clause 12 of rule XXII, I move that meetings of the conference committee between the House and Senate on S. 1438 may be closed to the public at such times as classified national security information may be broached, provided that any sitting Member of Congress shall be entitled to attend any meeting of the conference.

The SPEAKER pro tempore. Does the gentleman seek time to debate the motion?

Mr. STUMP. No, sir.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. STUMP).

Under the rule, the vote must be taken by the yeas and nays.

This will be a 15-minute vote, followed by a 5-minute vote on approval of the Journal.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 10, as follows:

[Roll No. 391]

YEAS—420

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Burton
Conyers
Cubin
Frelinghuysen
LaTourette
Miller (FL)
Price (NC)
Reyes
Roukema
Sweeney

□ 1205

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore (Mr. THORNBERRY). Pursuant to clause 8 of rule XX, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. THUNE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 365, noes 34, not voting 31, as follows:

[Roll No. 392]

AYES—365

Abercrombie
Ackerman
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Coble
Collins
Condit
Cooksey
Cox
Coyne
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Evans
Everett
Farr
Ferguson
Flake
Fletcher
Forbes
Fossella
Frank
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman

Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Gary
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pence
Peterson (PA)
Petri
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Stump
Stupak
Sununu
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wilson
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—34

Aderholt
Borski
Brady (PA)
Costello
Crane
DeFazio
English
Etheridge
Fattah
Filner
Ford
Hastings (FL)
Hilliard
Jones (OH)
Latham
McDermott
Miller, George
Oberstar
Olver
Peterson (MN)
Phelps
Ramstad
Schaffer
Scott
Stark
Strickland
Taylor (MS)
Thompson (CA)
Thompson (MS)
Visclosky
Waters
Weller
Wicker
Wu

NOT VOTING—31

Boehner
Bonior
Burton
Chambliss
Combest
Conyers
Cubin
Dicks
Foley
Frelinghuysen
Frost
Hoekstra
Jones (NC)
Kelly
Kennedy (RI)
Kirk
LaTourette
Lucas (KY)
Markey
Miller (FL)
Oxley
Pelosi
Pickering
Price (NC)
Reyes
Reynolds
Roukema
Sabo
Sweeney
Tancredo
Tierney

□ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany H.R. 2217, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

CONFERENCE REPORT ON H.R. 2217, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002

Mr. SKEEN. Mr. Speaker, I call up the conference report to accompany the bill (H.R. 2217) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2002, and for other purposes, and ask unanimous consent for its immediate consideration without intervention of any point of order.

The Clerk read the title of the bill.

(For conference report and statement see proceedings of the House of Thursday, October 11, 2001, at page H6507.)

The SPEAKER pro tempore (Mr. THORNBERRY). Is there objection to the request of the gentleman from New Mexico?

Mr. OBEY. Mr. Speaker, reserving the right to object, I intend not to object. I simply make this observation in order to afford the gentleman an opportunity to explain what it is we are doing here and to respond to several other questions that I think are in Members' minds with respect to the bill, and I yield to the distinguished gentleman from New Mexico.

Mr. SKEEN. Mr. Speaker, as the manager of this conference agreement, I do not intend to use any of the hour on general debate.

Mr. Speaker, we bring before the House the conference agreement on H.R. 2217—the Interior and Related Agencies Appropriations Act for fiscal year 2002.

Let me take a moment to thank the members of the Interior subcommittee for their support and guidance this year. I want to extend a special, personal thanks to the ranking minority member, NORM DICKS, for his extraordinary assistance in helping to shape this bill.

This is a good agreement. It provides $19.1 billion for our public lands, for Indian programs, for critical science and energy research programs, and for cultural institutions like the Smithsonian. Within that total there is $1.32 billion for the conservation spending initiative, which is the full amount available under the law for the Interior bill.

Let me cover just a couple of the highlights. The conference agreement includes $210 million for Payments in Lieu of Taxes, $600 million for maintenance on our public lands and $144 million for State land and water conservation grants, an increase of $54 million above the enacted level. There is $275 million for low income weatherization assistance and State energy grants, an increase of $84 million above the enacted level. There is $150 million for a new clean coal power initiative, a key component of the Administration's National Energy Policy. All of these areas are Presidential priorities.

The agreement also extends the recreation fee demonstration program for two years. Under this program, the National parks, forests, wildlife refugees, and other public lands retain fees they collect and use them to make repairs and other improvements that enhance the visitor experience. I am pleased to report that nearly $1 billion has been collected since the program was begun by this subcommittee in fiscal year 1997.

The conference agreement also provides $120 million to continue the Everglades restoration program and over $200 million for building schools and hospitals for American Indians and Alaska Natives.

The agreements has $2 billion to continue the National fire plan in fiscal year 2002. This includes funds for firefighting, restoration, hazardous fuel reduction, and community assistance.

The National Endowment for the Arts is funded at $98 million and there is $17 million for the Challenge America Arts Fund. These are the same amounts as in the House-passed bill.

I want to thank the staff in both the House and the Senate and on both sides of the aisle for their hardwork and long hours in getting the agreement in shape and making sure the numbers all worked within our allocation.

This is a good conference report; it conforms to our allocation; it balances the many competing needs of the programs under the jurisdiction of the Interior and Related Agencies Subcommittee; and I urge Members to support it.

Mr. Speaker, I ask that a table on the various accounts in the bill agreed to by the Conferees be included at this point.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2002 (H.R. 2217)

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	House	Senate	Conference	Conference vs. enacted
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management						
Management of lands and resources	733,116	734,312	739,711	746,962	746,632	+13,516
Emergency appropriations	17,134					-17,134
Conservation		26,000	29,000	29,000	29,000	+29,000
Supplemental appropriations (P.L. 107-20)	3,000					-3,000
Total, Management of lands and resources	753,250	760,312	768,711	775,962	775,632	+22,382
Wildland fire management:						
Preparedness	314,712	280,807	280,807	281,807	280,807	-33,905
Fire suppression operations	109,865	161,424	161,424	111,614	127,424	+17,559
Other operations	9,978	216,190	258,575	196,000	216,190	+206,212
Contingent emergency appropriations	542,544					-542,544
Contingent emergency appropriations (Suppression)				50,000	34,000	+34,000
Contingent emergency appropriations (Other operations)				20,000	20,000	+20,000
Total, Wildland fire management	977,099	658,421	700,806	659,421	678,421	-298,678
Central hazardous materials fund	9,978	9,978	9,978	9,978	9,978	
Construction	16,823	10,976	11,076	12,976	13,076	-3,747
Payments in lieu of taxes	199,560	150,000	150,000	170,000	160,000	-39,560
Conservation			50,000	50,000	50,000	+50,000
Total, Payments in lieu of taxes	199,560	150,000	200,000	220,000	210,000	+10,440
Land acquisition	56,545					-56,545
Conservation		47,686	47,686	45,686	49,920	+49,920
Oregon and California grant lands	104,038	105,165	105,165	106,061	105,165	+1,127
Range improvements (indefinite)	10,000	10,000	10,000	10,000	10,000	
Service charges, deposits, & forfeitures (indefinite)	7,484	8,000	8,000	8,000	8,000	+516
Miscellaneous trust funds (indefinite)	12,405	11,000	11,000	11,000	11,000	-1,405
Total, Bureau of Land Management	2,147,182	1,771,538	1,872,422	1,859,084	1,871,192	-275,990
Appropriations	(1,587,504)	(1,697,852)	(1,745,736)	(1,664,398)	(1,688,272)	(+100,768)
Conservation		(73,686)	(126,686)	(124,686)	(128,920)	(+128,920)
Emergency appropriations	(17,134)					(-17,134)
Contingent emergency appropriations	(542,544)			(70,000)	(54,000)	(-488,544)
United States Fish and Wildlife Service						
Resource management	800,330	779,752	809,852	812,814	819,597	+19,267
Emergency appropriations	6,486					-6,486
Conservation		27,000	30,000	33,000	31,000	+31,000
Total, Resource management	806,816	806,752	839,852	845,814	850,597	+43,781
Construction	62,877	35,849	48,849	55,526	55,543	-7,334
Emergency appropriations	8,481					-8,481
Supplemental appropriations (P.L. 107-20)	17,700					-17,700
Total, Construction	89,058	35,849	48,849	55,526	55,543	-33,515
Land acquisition	121,188					-121,188
Conservation		164,401	104,401	108,401	99,135	+99,135
Landowner incentive program (conservation)			50,000	50,000	40,000	+40,000
Private stewardship grants program (conservation)			10,000	10,000	10,000	+10,000
Cooperative endangered species conservation fund	104,694					-104,694
Conservation		54,694	107,000	91,000	96,235	+96,235
National wildlife refuge fund	11,414	11,414	11,414	14,414	14,414	+3,000
Conservation			5,000			
Total, National wildlife refuge fund	11,414	11,414	16,414	14,414	14,414	+3,000
North American wetlands conservation fund	39,912					-39,912
Conservation		14,912	45,000	42,000	43,500	+43,500
Neotropical migratory birds conservation fund					3,000	+3,000
Conservation			5,000			
Wildlife conservation and appreciation fund	795					-795
Multinational species conservation fund	3,243	3,243	4,000	4,000	4,000	+757
State wildlife grants fund	49,890					-49,890
Conservation			100,000	100,000	85,000	+85,000
Rescission				-49,890	-25,000	-25,000
Total, State wildlife grants fund	49,890		100,000	50,110	60,000	+10,110
Tribal wildlife grants (conservation)			5,000			
Total, United States Fish and Wildlife Service	1,227,010	1,091,265	1,335,516	1,271,265	1,276,424	+49,414
Appropriations	(1,212,043)	(830,258)	(874,115)	(886,754)	(896,554)	(-315,489)
Rescission				(-49,890)	(-25,000)	(-25,000)
Conservation		(261,007)	(461,401)	(434,401)	(404,870)	(+404,870)
Emergency appropriations	(14,967)					(-14,967)

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2002 (H.R. 2217) — continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	House	Senate	Conference	Conference vs. enacted
National Park Service						
Operation of the national park system	1,386,190	1,468,499	1,478,336	1,471,128	1,474,977	+88,787
Conservation	.....	2,000	2,000	2,000	2,000	+2,000
Total, Operation of the national park system	1,386,190	1,470,499	1,480,336	1,473,128	1,476,977	+90,787
United States Park Police	77,876	65,260	65,260	66,106	65,260	-12,616
Supplemental appropriations (P.L. 107-20)	1,700	.....	.....	.....	.....	-1,700
Total, United States Park Police	79,576	65,260	65,260	66,106	65,260	-14,316
National recreation and preservation	59,827	48,039	51,804	66,287	66,159	+6,332
Urban park and recreation fund	29,934	.....	.....	.....	.....	-29,934
Conservation	.....	.....	30,000	20,000	30,000	+30,000
Historic preservation fund	94,239	.....	.....	.....	.....	-94,239
Conservation	.....	67,055	77,000	74,000	74,500	+74,500
Construction	295,024	289,802	299,249	278,585	299,193	+4,169
Emergency appropriations	5,288	.....	.....	.....	.....	-5,288
Conservation	.....	50,000	50,000	60,000	66,851	+66,851
Total, Construction	300,312	339,802	349,249	338,585	366,044	+65,732
Land and water conservation fund (rescission of contract authority)	-30,000	-30,000	-30,000	-30,000	-30,000	.....
Land acquisition and state assistance	215,141	.....	.....	.....	.....	-215,141
Conservation	.....	557,036	261,036	287,036	274,117	+274,117
Total, National Park Service (net)	2,135,219	2,517,691	2,284,685	2,295,142	2,323,057	+187,838
Appropriations	(2,159,931)	(1,871,600)	(1,894,649)	(1,882,106)	(1,905,589)	(-254,342)
Rescission	(-30,000)	(-30,000)	(-30,000)	(-30,000)	(-30,000)	.....
Conservation	.....	(676,091)	(420,036)	(443,036)	(447,468)	(+447,468)
Emergency appropriations	(5,288)	.....	.....	.....	.....	(-5,288)
United States Geological Survey						
Surveys, investigations, and research	880,106	813,376	875,489	867,474	889,002	+8,896
Emergency appropriations	2,694	.....	.....	.....	.....	-2,694
Conservation	.....	.....	25,000	25,000	25,000	+25,000
Total, United States Geological Survey	882,800	813,376	900,489	892,474	914,002	+31,202
Minerals Management Service						
Royalty and offshore minerals management	240,526	252,098	252,597	254,663	253,397	+12,871
Use of receipts	-107,410	-102,730	-102,730	-102,730	-102,730	+4,680
Oil spill research	6,105	6,105	6,105	6,118	6,105	.....
Total, Minerals Management Service	139,221	155,473	155,972	158,051	156,772	+17,551
Office of Surface Mining Reclamation and Enforcement						
Regulation and technology	100,580	101,900	102,900	102,144	102,800	+2,220
Receipts from performance bond forfeitures (indefinite)	274	275	275	275	275	+1
Subtotal	100,854	102,175	103,175	102,419	103,075	+2,221
Abandoned mine reclamation fund (definite, trust fund)	201,992	166,783	203,554	203,171	203,455	+1,463
Total, Office of Surface Mining Reclamation and Enforcement	302,846	268,958	306,729	305,590	306,530	+3,684
Bureau of Indian Affairs						
Operation of Indian programs	1,737,378	1,780,486	1,790,781	1,804,322	1,799,809	+62,431
Emergency appropriations	1,197	.....	.....	.....	.....	-1,197
Supplemental appropriations (P.L. 107-20)	50,000	.....	.....	.....	.....	-50,000
Total, Operation of Indian programs	1,788,575	1,780,486	1,790,781	1,804,322	1,799,809	+11,234
Construction	356,618	357,132	357,132	360,132	357,132	+514
Indian land and water claim settlements and miscellaneous payments to Indians	37,443	60,949	60,949	60,949	60,949	+23,506
Indian guaranteed loan program account	4,977	4,986	4,986	4,986	4,986	+9
(Limitation on guaranteed loans)	(59,551)	(75,000)	.....	(75,000)	(75,000)	(+15,449)
Total, Bureau of Indian Affairs	2,187,613	2,203,553	2,213,848	2,230,389	2,222,876	+35,263
Departmental Offices						
Insular Affairs:						
Assistance to Territories	47,646	41,730	44,569	48,730	51,230	+3,584
Northern Marianas	27,720	27,720	27,720	27,720	27,720	.....
Subtotal, Assistance to Territories	75,366	69,450	72,289	76,450	78,950	+3,584

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2002 (H.R. 2217) — continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	House	Senate	Conference	Conference vs. enacted
Compact of Free Association	8,726	8,745	8,745	8,745	8,745	+19
Mandatory payments	12,000	14,500	14,500	14,500	14,500	+2,500
Subtotal, Compact of Free Association	20,726	23,245	23,245	23,245	23,245	+2,519
Total, Insular Affairs	96,092	92,695	95,534	99,695	102,195	+6,103
Departmental management	64,178	64,177	55,177	67,541	67,741	+3,563
Office of the Solicitor	40,108	42,207	45,000	44,074	45,000	+4,892
Office of Inspector General	27,785	30,490	30,490	34,302	34,302	+6,517
Office of the Special Trustee for American Indians	82,446	99,224	99,224	99,224	99,224	+16,778
Emergency appropriations	27,539					-27,539
Indian land consolidation pilot	8,980	10,980	10,980	10,980	10,980	+2,000
Natural resource damage assessment fund	5,391	5,497	5,497	5,872	5,497	+106
Total, Departmental Offices	352,519	345,270	341,902	361,688	364,939	+12,420
General Provisions, Department of the Interior						
Abandoned mine/acid mine drainage (PA)	12,572					-12,572
Total, title I, Department of the Interior:						
New budget (obligational) authority (net)	9,386,982	9,167,124	9,411,563	9,373,683	9,435,792	+48,810
Appropriations	(8,805,619)	(8,186,340)	(8,408,440)	(8,356,450)	(8,430,534)	(-375,085)
Conservation		(1,010,784)	(1,033,123)	(1,027,123)	(1,006,258)	(+1,006,258)
Rescissions	(-30,000)	(-30,000)	(-30,000)	(-79,890)	(-55,000)	(-25,000)
Emergency appropriations	(68,819)					(-68,819)
Contingent emergency appropriations	(542,544)			(70,000)	(54,000)	(-488,544)
(Limitation on guaranteed loans)	(59,551)	(75,000)		(75,000)	(75,000)	(+15,449)
TITLE II - RELATED AGENCIES						
DEPARTMENT OF AGRICULTURE						
Forest Service						
Forest and rangeland research	229,111	234,979	236,979	242,822	241,304	+12,193
Supplemental appropriations (P.L. 107-20)	1,400					-1,400
Total, Forest and rangeland research	230,511	234,979	236,979	242,822	241,304	+10,793
State and private forestry	271,854	176,244	173,771	186,331	190,221	-81,633
Conservation		61,585	104,000	101,000	101,000	+101,000
Contingent emergency appropriations	12,473					-12,473
Emergency appropriations	11,269					-11,269
Supplemental appropriations (P.L. 107-20)	24,500					-24,500
Total, State and private forestry	320,096	237,829	277,771	287,331	291,221	-28,875
National forest system	1,297,832	1,314,191	1,320,445	1,324,491	1,331,439	+33,607
Emergency appropriations	7,233					-7,233
Supplemental appropriations (P.L. 107-20)	12,000					-12,000
Total, National forest system	1,317,065	1,314,191	1,320,445	1,324,491	1,331,439	+14,374
Wildland fire management:						
Preparedness	611,143	622,618	616,618	622,618	622,618	+11,475
Fire suppression operations	226,140	321,321	321,321	221,321	255,321	+29,181
Other operations		336,410	464,366	271,655	336,410	+336,410
Contingent emergency appropriations	1,042,975					-1,042,975
Contingent emergency appropriations (Suppression)				100,000	266,000	+266,000
Contingent emergency appropriations (Other operations)				65,000	80,000	+80,000
Total, Wildland fire management	1,880,258	1,280,349	1,402,305	1,280,594	1,560,349	-319,909
Capital improvement and maintenance	517,427	473,230	485,513	480,286	485,188	-32,239
Conservation		50,497	50,000	61,000	61,000	+61,000
Supplemental appropriations (P.L. 107-20)	4,000					-4,000
Total, Capital improvement and maintenance	521,427	523,727	535,513	541,286	546,188	+24,761
Land acquisition	150,872					-150,872
Conservation		130,877	130,877	128,877	149,742	+149,742
Acquisition of lands for national forests, special acts	1,067	1,069	1,069	1,069	1,069	+2
Acquisition of lands to complete land exchanges (indefinite)	233	234	234	234	234	+1
Range betterment fund (indefinite)	3,293	3,290	3,290	3,290	3,290	-3
Gifts, donations and bequests for forest and rangeland research	92	92	92	92	92	
Management of national forest lands for subsistence uses	5,488	5,488	5,488	5,488	5,488	
Southeast Alaska economic disaster fund	4,989					-4,989

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2002 (H.R. 2217) — continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	House	Senate	Conference	Conference vs. enacted
Reduction for non-conservation funding		-2,000	-2,000	-2,000	-2,000	-2,000
Conservation (Youth Conservation Corps)		2,000	2,000	2,000	2,000	+2,000
Total, Forest Service	4,435,391	3,732,125	3,914,063	3,815,574	4,130,416	-304,975
Appropriations	(3,361,441)	(3,487,166)	(3,627,186)	(3,357,697)	(3,470,674)	(+109,233)
Conservation		(244,959)	(286,877)	(292,877)	(313,742)	(+313,742)
Emergency appropriations	(18,502)					(-18,502)
Contingent emergency appropriations	(1,055,448)			(165,000)	(346,000)	(-709,448)
DEPARTMENT OF ENERGY						
Clean coal technology:						
Deferral	-67,000				-40,000	+27,000
Fossil energy research and development	432,464	449,000	579,000	570,390	582,790	+150,326
Strategic petroleum account (by transfer)	(12,000)					(-12,000)
Clean coal technology (by transfer)	(95,000)			(33,700)	(33,700)	(-61,300)
Alternative fuels production (rescission)	-1,000	-2,000		-2,000	-2,000	-1,000
Naval petroleum and oil shale reserves	1,596	17,371	17,371	17,371	17,371	+15,775
Elk Hills School lands fund		36,000				
Advance appropriations, FY 2002	36,000					-36,000
Advance appropriations, FY 2003				36,000	36,000	+36,000
(By transfer)			(36,000)			
Energy conservation	813,442	755,805	940,805	870,805	912,805	+99,363
Biomass energy development (by transfer)	(2,000)					(-2,000)
Economic regulation	1,996	1,996	1,996	1,996	1,996	
Strategic petroleum reserve	160,637	169,009	179,009	169,009	179,009	+18,372
(By transfer)	(4,000)					(-4,000)
Energy Information Administration	75,509	75,499	78,499	75,499	78,499	+2,990
Total, Department of Energy:						
New budget (obligational) authority (net)	1,453,644	1,502,680	1,796,680	1,739,070	1,766,470	+312,826
Appropriations	(1,485,644)	(1,504,680)	(1,796,680)	(1,705,070)	(1,772,470)	(+286,826)
Advance appropriations	(36,000)			(36,000)	(36,000)	
Rescissions	(-1,000)	(-2,000)		(-2,000)	(-2,000)	(-1,000)
Deferral	(-67,000)				(-40,000)	(+27,000)
(By transfer)	(113,000)		(36,000)	(33,700)	(33,700)	(-79,300)
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Indian Health Service						
Indian health services	2,265,663	2,387,014	2,390,014	2,388,614	2,389,614	+123,951
Indian health facilities	363,103	319,795	369,795	362,854	369,487	+6,384
Total, Indian Health Service	2,628,766	2,706,809	2,759,809	2,751,468	2,759,101	+130,335
OTHER RELATED AGENCIES						
Office of Navajo and Hopi Indian Relocation						
Salaries and expenses	14,967	15,148	15,148	15,148	15,148	+181
Institute of American Indian and Alaska Native Culture and Arts Development						
Payment to the Institute	4,116	4,490	4,490	4,490	4,490	+374
Smithsonian Institution						
Salaries and expenses	386,902	396,200	396,200	401,192	399,253	+12,351
Repair, restoration and alteration of facilities	57,473	67,900	67,900	67,900	67,900	+10,427
Construction	9,479	30,000	30,000	25,000	30,000	+20,521
Total, Smithsonian Institution	453,854	494,100	494,100	494,092	497,153	+43,299
National Gallery of Art						
Salaries and expenses	64,638	66,229	68,967	68,967	68,967	+4,329
Repair, restoration and renovation of buildings	10,847	14,220	14,220	14,220	14,220	+3,373
Total, National Gallery of Art	75,485	80,449	83,187	83,187	83,187	+7,702
John F. Kennedy Center for the Performing Arts						
Operations and maintenance	13,969	15,000	15,000	15,000	15,000	+1,031
Construction	19,956	19,000	19,000	19,000	19,000	-956
Total, John F. Kennedy Center for the Performing Arts	33,925	34,000	34,000	34,000	34,000	+75
Woodrow Wilson International Center for Scholars						
Salaries and expenses	12,283	7,796	7,796	7,796	7,796	-4,487

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2002 (H.R. 2217) — continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	House	Senate	Conference	Conference vs. enacted
National Foundation on the Arts and the Humanities						
National Endowment for the Arts						
Grants and administration	97,785	98,234	98,234	98,234	98,234	+449
National Endowment for the Humanities						
Grants and administration	104,373	104,882	107,882	109,882	108,382	+4,009
Matching grants	15,621	15,622	15,622	15,622	16,122	+501
Total, National Endowment for the Humanities	119,994	120,504	123,504	125,504	124,504	+4,510
Institute of Museum and Library Services/ Office of Museum Services						
Grants and administration	24,852	24,899	26,899	26,899	26,899	+2,047
Challenge America Arts Fund						
Challenge America grants	6,985	6,985	17,000	17,000	17,000	+10,015
Total, National Foundation on the Arts and the Humanities	249,616	250,622	265,637	267,637	266,637	+17,021
Commission of Fine Arts						
Salaries and expenses	1,076	1,274	1,274	1,174	1,224	+148
National Capital Arts and Cultural Affairs						
Grants	6,985	7,000	7,000	7,000	7,000	+15
Advisory Council on Historic Preservation						
Salaries and expenses	3,182	3,310	3,400	3,310	3,400	+218
National Capital Planning Commission						
Salaries and expenses	6,486	7,253	7,253	7,253	7,253	+767
United States Holocaust Memorial Council						
Holocaust Memorial Museum	34,363	36,028	36,028	36,028	36,028	+1,665
Presidio Trust						
Presidio trust fund	33,327	22,427	22,427	23,125	23,125	-10,202
Total, title II, related agencies:						
New budget (obligational) authority (net)	9,447,466	8,905,511	9,452,292	9,290,352	9,642,428	+194,962
Appropriations	(8,405,516)	(8,662,552)	(9,165,415)	(8,798,475)	(8,988,686)	(+583,170)
Conservation		(244,959)	(286,877)	(292,877)	(313,742)	(+313,742)
Advance appropriations	(36,000)			(36,000)	(36,000)	
Emergency appropriations	(18,502)					(-18,502)
Contingent emergency appropriations	(1,055,448)			(165,000)	(346,000)	(-709,448)
Rescissions	(-1,000)	(-2,000)		(-2,000)	(-2,000)	(-1,000)
Deferral	(-67,000)				(-40,000)	(+27,000)
(By transfer)	(113,000)		(36,000)	(33,700)	(33,700)	(-79,300)
TITLE VII						
United Mine Workers of America combined benefits fund	57,872					-57,872
Grand total:						
New budget (obligational) authority (net)	18,892,320	18,072,635	18,863,855	18,664,035	19,078,220	+185,900
Appropriations	(17,269,007)	(16,848,892)	(17,573,855)	(17,154,925)	(17,419,220)	(+150,213)
Conservation		(1,255,743)	(1,320,000)	(1,320,000)	(1,320,000)	(+1,320,000)
Advance appropriations	(36,000)			(36,000)	(36,000)	
Emergency appropriations	(87,321)					(-87,321)
Contingent emergency appropriations	(1,597,992)			(235,000)	(400,000)	(-1,197,992)
Rescissions	(-31,000)	(-32,000)	(-30,000)	(-81,890)	(-57,000)	(-26,000)
Deferral	(-67,000)				(-40,000)	(+27,000)
(By transfer)	(113,000)		(36,000)	(33,700)	(33,700)	(-79,300)
(Limitation on guaranteed loans)	(59,551)	(75,000)		(75,000)	(75,000)	(+15,449)
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management	2,147,182	1,771,538	1,872,422	1,859,084	1,871,192	-275,990
United States Fish and Wildlife Service	1,227,010	1,091,265	1,335,516	1,271,265	1,276,424	+49,414
National Park Service	2,135,219	2,517,691	2,284,685	2,295,142	2,323,057	+187,838
United States Geological Survey	882,800	813,376	900,489	892,474	914,002	+31,202
Minerals Management Service	139,221	155,473	155,972	158,051	156,772	+17,551
Office of Surface Mining Reclamation and Enforcement	302,846	268,958	306,729	305,590	306,530	+3,684
Bureau of Indian Affairs	2,187,613	2,203,553	2,213,848	2,230,389	2,222,876	+35,263
Departmental Offices	352,519	345,270	341,902	361,688	364,939	+12,420
General Provisions	12,572					-12,572
Total, Title I - Department of the Interior	9,386,982	9,167,124	9,411,563	9,373,683	9,435,792	+48,810

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2002 (H.R. 2217) — continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	House	Senate	Conference	Conference vs. enacted
TITLE II - RELATED AGENCIES						
Forest Service	4,435,391	3,732,125	3,914,063	3,815,574	4,130,416	-304,975
Department of Energy	1,453,644	1,502,680	1,796,680	1,739,070	1,766,470	+312,826
Indian Health Service	2,628,766	2,706,809	2,759,809	2,751,468	2,759,101	+130,335
Office of Navajo and Hopi Indian Relocation	14,967	15,148	15,148	15,148	15,148	+181
Institute of American Indian and Alaska Native Culture and Arts Development	4,116	4,490	4,490	4,490	4,490	+374
Smithsonian Institution	453,854	494,100	494,100	494,092	497,153	+43,299
National Gallery of Art	75,485	80,449	83,187	83,187	83,187	+7,702
John F. Kennedy Center for the Performing Arts	33,925	34,000	34,000	34,000	34,000	+75
Woodrow Wilson International Center for Scholars	12,283	7,796	7,796	7,796	7,796	-4,487
National Endowment for the Arts	97,785	98,234	98,234	98,234	98,234	+449
National Endowment for the Humanities	119,994	120,504	123,504	125,504	124,504	+4,510
Institute of Museum and Library Services	24,852	24,899	26,899	26,899	26,899	+2,047
Challenge America Arts Fund	6,985	6,985	17,000	17,000	17,000	+10,015
Commission of Fine Arts	1,076	1,274	1,274	1,174	1,224	+148
National Capital Arts and Cultural Affairs	6,985	7,000	7,000	7,000	7,000	+15
Advisory Council on Historic Preservation	3,182	3,310	3,400	3,310	3,400	+218
National Capital Planning Commission	6,486	7,253	7,253	7,253	7,253	+767
Holocaust Memorial Council	34,363	36,028	36,028	36,028	36,028	+1,665
Presidio Trust	33,327	22,427	22,427	23,125	23,125	-10,202
Total, Title II - Related Agencies	9,447,466	8,905,511	9,452,292	9,290,352	9,642,428	+194,962
TITLE VII						
United Mine Workers of America combined benefits fund	57,872	.....	.....	.....	.....	-57,872
Grand total	18,892,320	18,072,635	18,863,855	18,664,035	19,078,220	+185,900

Mr. OBEY. Mr. Speaker, I yield to the gentleman from California (Mr. GEORGE MILLER) under my reservation.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for reserving his reservation and also for yielding the time. I just want to comment on one aspect of the conference committee report, and I want to thank the conference committee for its attention.

I appreciate the opportunity to comment on a provision affecting the tribal interests in my district, the Lytton Rancheria in California and in the City of San Pablo. Last year the appropriate authorizing committees in both the House and the Senate developed authorizing language to address a land into trust provision unique to the Lytton Rancheria.

This conference committee revisited this issue in the Subcommittee on Interior of the Committee on Appropriations due to the exceptionally unique circumstances which necessitated the enactment of Section 819 of Public Law 106–568, taking lands into trust for the purposes of gaming.

I want to clarify that our action here did not diminish requirements that the tribe fully comply with provisions of Public Law 100–497 and in particular, with respect to Class III gaming, the compact provision of Section 2710(d) or any relevant Class III gaming procedures.

I want to thank the conferees for their attention to this issue and the determination that the tribe must proceed according to current law.

Mr. Speaker, I appreciate the opportunity to comment on a provision affecting tribal interests in my district—the Lytton Rancheria of California and the City of San Pablo. Last year the appropriate authorizing committees in both the House and the Senate developed authorizing language to address a land into trust provision unique to the Lytton Rancheria. This conference committee revisited this issue in the Interior Appropriations bill due to the exceptional and unique circumstances which necessitated the enactment of Section 819 of P.L. 106–568, taking lands into trust for the purposes of gaming. I want to clarify that our action here did not diminish the requirement that the tribe fully comply with the provisions of P.L. 100–497 and in particular, with respect to Class III gaming, the compact provision of Section 2710(d) or any relevant Class III gaming procedures.

I want to thank the conferees for their attention to this issue and determination that the tribe proceed according to current law.

Mr. OBEY. Mr. Speaker, I thank the gentleman.

Continuing under my reservation, I am happy to yield to the distinguished chairman of the committee, the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding, and I would like to say to the Members of the House, Mr. Speaker, that this conference went very smooth because of the good work being done by the gentleman from New Mexico (Mr. SKEEN), the chairman, and the gentleman from Washington (Mr. DICKS), the ranking member.

The gentleman from Wisconsin (Mr. OBEY) and I had an opportunity to participate in this conference agreement. Our colleagues in the Senate did as well. Most of the controversies were almost all eliminated. We have a good bill here today, and I appreciate the gentleman reserving the right to object so that we can have this brief dialogue on this bill, and I would hope that we would receive the support of the membership.

Mr. OBEY. Mr. Speaker, I thank the gentleman from Florida (Mr. YOUNG), and continuing under my reservation, Mr. Speaker, since the gentleman from Washington (Mr. DICKS) is not here, I just would like to make one comment.

I think this bill is a perfectly reasonable bill and I intend to support it. I am especially pleased with the fact that the new conservation initiative known in some corners as the Lands Legacy Variation, I am very pleased with the funding level provided in this bill for that item.

As the gentleman from New Mexico (Mr. SKEEN) knows, last year we had a huge argument about whether or not land purchasing programs ought to be consolidated into a giant entitlement program. It was the feeling of the committee that we could make land acquisition a high priority without turning it into an entitlement. The subcommittee was then chaired by the gentleman from Ohio (Mr. REGULA) and the gentleman from Washington (Mr. DICKS), and the gentleman from Ohio (Mr. REGULA) and myself and several others worked out the agreement at that time to maintain that as an expanded discretionary program. We indicated at the time that we intended to keep stepping that program up, to keep pace with the needs.

The gentleman from New Mexico (Mr. SKEEN) has seen to it that this has happened along with other conferees, and certainly the gentleman from Washington (Mr. DICKS). I am very pleased by that. I think this has been a very large step forward in the conservation area, and I think the entire Congress can be proud of it.

I want to thank also the staff on the committee for the excellent work that they have done.

Mr. MCCRERY. Mr. Speaker, I would like to take this opportunity to thank the Chairman, Mr. SKEEN and the ranking member, Mr. DICKS, on their hard work on this important appropriations legislation before the House today. This bill provides funding for many important programs in the U.S. Fish and Wildlife Service, the National Park Service, the Land and Water Conservation Fund, and the Bureau of Indian Affairs, just to name a few. So thank you both for making sure these vital programs received appropriate funding.

Recently, I and several of my distinguished colleagues from Louisiana, sent a letter requesting that the Interior Conference Committee consider the inclusion of language in this bill that is very important to some of our constituents, the Coushatta Tribe of Louisiana. We sent the letter to bring to the attention of the Interior Conferees a situation that has unfortunately developed in Louisiana.

The Coushatta Tribe of Louisiana currently services over 450 tribal members through Indian Health Services or IHS funds, and expects this number to rise due to its ever-increasing population. Unfortunately, access to IHS or tribally operated facilities and hospital access for certain medical needs, such as dialysis machines and specialized medical treatments, is limited. This is particularly problematic, given that diabetes is the Tribe's most critical health care problem. Consequently, because this type of care is not provided on-reservation, the Coushatta's health care costs have increased dramatically because tribal members must obtain services from local and community health centers.

The Tribe does receive funding from IHS for health services performed off reservation but current levels fall significantly short of budget. Like most of Indian Country, the Coushatta Tribe needs more money for preventive care. They need to purchase necessary medical equipment, increase the clinic's hours of operation and hire a full-time physician to staff the clinic. The Tribe is fully committed to providing quality health care to its trial members and in fact currently dedicates many of its own resources to this cause. Additional IHS funding would go a long way in helping the Coushatta Tribe meet the health care needs of its members.

Additional funds are key here and on that point, I'd like to commend the Conferees for including much needed additional funds for the Bureau of Indian Affairs. More specifically, I was pleased to see the Contract Health Services account increased. These funds will go a long way to address the health needs of the Native American tribes across the United States. I also want to specifically thank Mr. DICKS and all of the Conferees for their commitment to work with the Louisiana delegation to ensure that the Coushatta Tribe of Louisiana is the recipient of some of these funds so they can address their critical health care needs.

Mr. UNDERWOOD. Mr. Speaker, as the House considers passage of the conference report on the Interior Appropriations bill for FY 2002, I wanted to speak about the issue of Compact Impact Aid funding for Guam.

While I am pleased that the conference report includes $6.38 million for Guam, $4 million for Hawaii, and $2 million for the Commonwealth of the Northern Mariana Islands, I remain concerned about the failure of the federal government to identify a better funding solution for areas impacted by the migrations of citizens from the Freely Associated States. Guam received $7.58 million and $9.58 million for FY 2000 and FY 2001, respectively. Because of the failure of the federal government to identify other sources of funding, Guam, the CNMI, and Hawaii are forced to secure funding from the same source, out of the Interior Department's Office of Insular Affairs's budget. This should not be the case as funding for overall territorial funding has decreased over the last decade. Other federal agencies like the Department of Health and Human Services, the Department of Education, the Department of Housing and Urban Development, and the Department of labor should also be viewed as potential sources of long term funding.

Guam is impacted more than any other territory or state by the unmonitored migration to

Guam by citizens of the Freely Associated States in Micronesia that continues to have significant financial and social impacts on our island. Since the Compact of Free Association was established in 1986, Guam only started to receive Compact Impact Aid in FY 1996. During the FY 1996–FY1999 period, Guam received $4.58 million annually from the Department of Interior's Office of Insular Affairs budget. However, the Government of Guam expends between $15–$25 million annually to provide educational and social services for migrants from the Freely Associated States under the Compact agreements.

Although there continues to be differences between the Government of Guam and the Department of Interior on the actual impact costs, the Department of Interior has acknowledged ''best estimates'' of $12.8 million for compact costs to Guam annually. The Government of Guam estimates that it has spent $180 million between 1986–2000 for Compact Impact costs, while federal reimbursement has been $41 million through FY 2001. Most recently, the General Accounting Office released on October 5, 2001, report entitled, ''Migration from Micronesian Nations Has Had Significant Impact on Guam, Hawaii, and the Commonwealth of the Northern Mariana Islands.'' The report concluded that Freely Associated States migration has clearly had a significant impact on Guam, Hawaii, and the CNMI, and noted that it particularly affected the budgetary resources of Guam and the CNMI, ''locations that have relatively small populations and budgets, and economies that have recently suffered economic setbacks.'' As the U.S. government continues to negotiate expiring provisions of the Compact agreements with the Federated States of Micronesia and the Republic of the Marshall Islands, I hope that policymakers will take a careful look at some of the findings in this GAO report.

This is a difficult time for all Americans and all jurisdictions need assistance. Guam is facing a particularly difficult time. The terrorist attacks have caused a downturn in tourism and serious economic difficulties for Guam. Even prior to the attacks, Guam had a 15% unemployment rate due to Asian economic problems. Guam was not in a position to deal with these costs in the past few years. Given the current situation, Guam is in an even more precarious situation.

Rest assured that I will make sure that Congress has a strong say on the inadequate funding levels and funding sources for Compact Impact aid, as well as migration provisions, on any proposed agreements.

Mrs. CHRISTENSEN. Mr. Speaker, I rise in strong support of the Interior Appropriations Conference Report for FY 2002 and I want to express by sincerest thanks to Chairman SKEEN and Ranking Member DICKS for their support of the provisions in the bill to aid the Virgin Islands in overcoming its fiscal crisis.

I want to also commend the Chairman and Ranking Member for the skillful way in which they guided the Interior bill through the legislative process this year. I cannot remember a time, during my tenure in Congress, that the Interior Appropriations bill has been one of the first to clear both houses of Congress with near unanimous support.

Mr. Speaker, the Conference Agreement is $186 million over FY 2001, $214 million over the House bill and $414 million over the Senate bill. It fully funds the new Conservation Trust Fund and provides and increase of about 50% for our nation's weatherization programs for low-income families. The National Endowment for the Arts is funded at a $10 million increase over last year and it provides no funding for drilling in the Artic National Wildlife Reserve (ANWAR) while funding certain Department of Energy programs at a $313 million increase over last year.

This is a good bill; a fair bill and I urge my colleagues to support its passage.

Mr. BEREUTER. Mr. Speaker, this Member rises today in support of H.R. 2217, the fiscal year 2002 Interior appropriations conference report. This Member also commends the distinguished gentleman from New Mexico (Mr. SKEEN), Chairman of the Interior Appropriations Subcommittee, and the distinguished gentleman from Washington (Mr. DICKS), the Ranking Minority Member of the Subcommittee for their hard work on this important bill.

This Member is appreciative of the $15 million appropriation for continued construction for the replacement Indian Health Service Hospital located in Winnebago, Nebraska. Of course, it is unfortunate that the appropriation is less than the Administration's request and the House-passed allocation which would have completed the appropriations for the hospital project; however, at least construction can continue under this reduced funding level. Furthermore, this Member would like to thank the Members of the Subcommittee and the Subcommittee staff for the invaluable assistance they have provided over the years in obtaining funding for this new hospital, which is much needed and will greatly benefit Native Americans in Nebraska.

In closing, Mr. Speaker, this Member urges his colleagues to support H.R. 2217.

Mr. SHAYS. Mr. Speaker, I rise to express my disappointment that this conference report does not contain the important mining protections of the Inslee-Horn Amendment which the House strongly endorsed when we first considered this bill in June.

There was bipartisan support for this amendment, which would have kept in place badly needed protections for the environment, taxpayers and the health of western communities against the most irresponsible mining practices.

Such protections are needed because independent reports estimate the old mining laws have left taxpayers with a potential cleanup liability in excess of $1 billion.

The old regulations and the 1872 mining law simply did not account for destructive new practices like open pit mining with chemicals such as cyanide and sulfuric acid. These new 3809 regulations are the first attempt to address environmental and taxpayer problems arising from modern mines.

These protections were the work of four years of public input and continue to enjoy strong public support. During a 45-day public comment period on the proposed weakening of the mining rules, 47,000 citizens (out of 49,000 comments received) opposed weakening the rule.

Even though the Inslee-Horn Amendment was not included in this report, we must continue to urge the Interior Department to leave the current rules in place. In particular we must retain: strong water resource protections and cleanup standards; strong bonding requirements; and the ability for federal land managers to deny the most irresponsible mines.

Taxpayer protections without adequate environmental standards on destructive

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of this Interior Conference Report. This bill includes important funding for conservation programs and includes monies for the maintenance of wildlife habitat protection in national parks, forests and refuge areas. I am especially happy to see that 65 million dollars was included for the Forest Legacy Program which provides assistance in the private and voluntary conservation of our forest lands, including $2 million dollars to protect the Adirondack Lakes in beautiful upstate New York. Since 1990 the Forest Legacy Program has protected nearly 100,000 acres of forest lands in eight states, ensuring that these lands will never be developed but will be managed sustainably and continue to provide much needed raw materials for today's marketplace. In addition, given the recent attacks on New York City and the threat of bioterrorism we have been very concerned about the quality of our water supply.

The $500,000 dollars designated in the Forest Legacy Program for the New York City watershed project is an important and vital step in protecting New York City's drinking water. The critical funding of the Forest Legacy Program will ensure that these areas continue to provide recreational opportunities, filter our water, clean our air, and protect tourism and forest product jobs in the area. I am also pleased that this legislation includes $98 million for the National Endowment for the Arts and $125 million for the National Endowment of the Humanities, amounts which exceed the current funding levels for these valuable agencies. We cannot ignore the rich cultural benefits that the arts provide to our nation. Additionally, the arts generate approximately $3.6 billion each year for local economies across the country.

I am disappointed that an oil royalties amendment of mine—which was included in the House-passed version of the bill—was removed in conference. The amendment would have ensured that the Royalty in Kind program would not continue to lose money for America's tax payers. I offered the amendment to guarantee that oil industry fees, collected through the so-called ''Royalty in Kind'' program, earn at least fair market value or more. I will continue to work on this issue; we must stop what I consider to be a Corporate Welfare Scheme.

Mr. Speaker, I support the conference report and I want to thank the Conferees for working together to bring to the floor an Appropriations bill that both sides of the aisle can and should support.

I urge a ''yes'' vote.

Mr. DICKS. Mr. Speaker, this is a good bill, representing a fair compromise between the versions that were passed in each House. While I certainly would have preferred a higher level of funding in some of the key programs of this bill, I am encouraged by many elements of the compromise. The conference report represents a fair effort to provide the necessary funds to maintain the National Park System and our federal land management agencies, to address tribal needs through the Bureau of Indian Affairs, to increase wildfire readiness, to encourage important energy research and conservation programs, and to

offer the small—but important—cultural funding through the National Endowment for the Arts and the National Endowment for the Humanities.

One of the most important aspects of this bill and of the conference report, I believe, was the decision to honor the commitment we made last year when we enacted the Conservation Spending Trust Fund. I am extremely pleased that both the House and Senate bills contained full funding of $1.32 billion for these conservation programs—a dramatic increase over the $1.2 billion that was provided in the current year and $637 million in Fiscal Year 2000. This six-year effort represents the most significant increase ever approved for conservation spending across federal environmental accounts that will boost land acquisition, maintenance and wildlife habitat protection in national parks, forests and refuge areas. This was an important step taken last year in the House, and I am proud that we have brought the final version of the Fiscal Year 2002 bill to the floor in a form that included all of the funding anticipated in the second year of this conservation spending agreement.

Despite an allocation in conference that was lower than many of us would have preferred, I am very pleased that this conference agreement funds several specific programs at adequate levels, including:

$85 million for State Wildlife Grants;

$140 million for stateside Land and Water Conservation Fund Grants;

$50 million for the new Land Owner Incentive Program;

$115 million for the National Endowment for the Arts;

A 50 percent increase for the Weatherization program over last year's level;

$2.2 billion for National Fire Plan activities, $300 million over the President's budget request.

As the Ranking Democratic Member of the Interior Subcommittee, I want to thank all of my colleagues in the House for the substantial input and advice you have given to me and to our staff, and I assure you that I have made a diligent effort to attempt to address as many of those concerns as possible within the limitations of our allocation. I also want to thank the professional staff of the Interior Subcommittee for the long hours and meticulous attention to detail that has characterized their work on this legislation. Every member of the Subcommittee—Democrats as well as Republicans—appreciates their hard work under tight deadlines.

So I urge my colleagues to approve this bill. I am convinced that it responds to the most urgent environmental needs of our nation at this time, and that it addresses the major priorities of the Interior Department and the related programs with the Departments of Agriculture and Energy.

Mr. OBEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The SPEAKER pro tempore. Both sides have yielded back all time for debate on the conference report.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on adoption of the conference report are postponed.

GENERAL LEAVE

Mr. HOBSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany H.R. 2904, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONFERENCE REPORT ON H.R. 2904, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2002

Mr. HOBSON. Mr. Speaker, I call up the conference report to accompany the bill (H.R. 2904) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes, and ask unanimous consent for its immediate consideration in the House without intervention of any point of order.

The Clerk read the title of the bill.

(For conference report and statement see proceedings of the House of Tuesday, October 6, 2001, at page H6831).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. OLVER. Mr. Speaker, reserving the right to object, and I do not intend to object, but I have only reserved the right to object here in order to give the gentleman from Ohio an opportunity to explain what we are doing here.

Mr. HOBSON. Mr. Speaker, will the gentleman yield?

Mr. OLVER. I yield to the gentleman from Ohio.

Mr. HOBSON. Mr. Speaker, as the manager of this conference agreement, I do not intend to use any of the hour on general debate; however, I would like to have the gentleman from Georgia (Mr. KINGSTON) recognized.

Mr. OLVER. Mr. Speaker, continuing my reservation, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I too wanted to object with the reservation on this for the purpose of asking the chairman and the ranking member a few questions about the bill. But I also do not intend to object to the bill but I want to reserve the right to do that. So if it is appropriate on the gentleman's time frame, I would like to ask a couple of questions if the gentleman will continue to yield.

Mr. OLVER. Mr. Speaker, I continue to yield to the gentleman on my reservation.

Mr. KINGSTON. I thank both of the gentlemen and I want to say that my office and the gentleman's committee have worked very diligently for over a year now on a housing issue for Fort Stewart, Georgia and the City of Hinesville, Georgia, that I will not go into the details of. It is a project, as we know, that the staff on the committee is somewhat familiar with.

We have worked hard on this and have also had the honor of having the chairman of the committee come to our area and meet with several of the elected officials from Hinesville and Liberty County, Georgia, and I have been assured that we had this project under control and moving in the right direction.

Yesterday upon my return to Washington I was extremely shocked and extremely disappointed to find out that a problem had developed on this project, and even though it did pass the House, when this bill left the House it unfortunately disappeared in the conference committee. Maybe there was some lukewarm support or lukewarm objections from the Senate, but I also understand that there was a glitch with the authorizing committee, which I did not know about. So I wanted to express these concerns to the chairman and the ranking member and kind of flush it out for maybe next year if that is our only fallback position at this time.

Again, this was a very vital and important project for the folks in Hinesville, Georgia and Liberty County and Fort Stewart as well.

Mr. HOBSON. If I may respond, if the gentleman will continue to yield, first of all, I want my colleagues to know that I feel very badly about this because I have been to Hinesville and I have been involved in this project. I want to see this project succeed. This is a new type of situation that we really have not done before in the military, and that is one of the reasons I wanted to do it.

This helps the community, it helps the Army, and I think it helps the mortgage holder of these properties to get out of the property at a better way than they could have before. This is also new for the community to do a project in this way. We thought we had it done. And I want to be very frank, I thought it was done. We put it into our bill. We got into conference where these things are checked again, and we found there were a couple of procedural problems which the gentleman alluded to or mentioned there that were raised.

It became a situation where we cannot overcome that in this conference at this time and get the authorization and the other things necessary to get it done. But I want to make a commitment that I am going to do everything I can to make sure that this project gets done because I think this is a good model. If we can get this done, this is not just good for Hinesville, but this is a good model that we can use elsewhere in the country. So it is very important that we do it correctly.

I want to assure the gentleman's constituents that the gentleman was very diligent on this. My colleague's staff was very diligent on this. This is just something that came up at the last moment.

Mr. KINGSTON. Will the gentleman from Massachusetts continue to yield?

Mr. OLVER. Under my reservation, I continue to yield to the gentleman from Georgia.

Mr. KINGSTON. I thank the gentleman for yielding.

I want to say I truly appreciate the personal attention that the gentleman has shown on this and I appreciate those words and I appreciate his recommitment for the year ahead.

Mr. HOBSON. I want to go down there and cut the ribbon on this one, I can assure the gentleman of that.

Mr. KINGSTON. I also wanted to say should there be a supplemental bill, there may be an opportunity.

Mr. HOBSON. If we can get the things done that are necessary to make it so, we can put it in a supplemental. We will certainly attempt to do that. I am sure the gentleman from Massachusetts (Mr. OLVER) will also be interested in doing that. But we have to get the things technically worked out to get it done because this is a good model, I think, for elsewhere in the country and it is important that we do it correctly and I think we want to do it correctly.

Mr. KINGSTON. I appreciate the gentleman and I will not ask him to speculate the likelihood of its passage next year. I certainly hope that it would be favorable, as I felt like we were so close this year.

Mr. HOBSON. I can make the gentleman from Georgia this assurance. I will make sure all the T's are crossed and the I's are dotted because I think this is a good model.

Mr. KINGSTON. Having said that, I certainly will not object to the bill and the gentleman from Massachusetts (Mr. OLVER) has already held a reservation. I thank him for yielding to me, and I thank the gentleman as the ranking member for his support for this and thank the gentleman from Ohio (Mr. HOBSON).

Mr. OLVER. I have certainly carefully listened to the exchange between the gentleman from Georgia and the chairman of the subcommittee and we will work together on the points that have been raised.

Mr. KINGSTON. I thank the gentleman very much.

Mr. HOBSON. If the gentleman would yield further, I would like to make two other comments.

Mr. OLVER. I continue to yield under my reservation.

Mr. HOBSON. First of all, I would like to thank our staffs for working on the bill. I think they both did a great job, all the staff.

□ 1230

I particularly want to thank Tom McNamara, who is the detailee from the Air Force. He has been particularly good and helped with the subcommittee staff, and we are going to miss him. I do not know if we can get him back next year, but we are sure going to try because he did a good job in facilitating this bill.

I think it is a good bill. I have a good partner in my ranking member. With that, I thank the gentleman for yielding to me.

Mr. OLVER. Mr. Speaker, continuing under my reservation, I want to commend the chairman, the gentleman from Ohio (Mr. HOBSON), for his leadership in reaching this agreement. The two bills did contain substantial differences, and I believe that they have been resolved very fairly.

I also wish to thank the staffs, particularly Valerie Baldwin, Brian Potts, Tom McNamara, and Tom Forhan of the committee staff and Suzy Dumont from my own staff.

I think also the bill is a good bill. I hope we will have a resounding ''yes'' vote on the legislation.

Mr. UNDERWOOD. Mr. Speaker, I rise in support of the Conference Report on H.R. 2904, the Military Construction Appropriations Act for FY 02. I am particularly pleased that the conference agreement includes $7.748 million for the continued construction of the Guam Army National Guard Readiness Center. Located in Barrigada, Guam this Readiness Center will serve to enhance the administrative functioning and training capabilities of the Guam Army National Guard. This is a critical and desperately needed project whose construction is timely considering the renewed emphasis and recently placed demands on our Guard units. for several weeks, Guam's Guardsmen and women having been working around the clock to provide for a secure and safe environment at the Antonio Won Pat International Airport on Guam. Adequate space to assemble and train with modern equipment and facilities will strengthen their ability to respond when called to duty. This legislation provides Guam's National Guard with the infrastructure needed to meet future missions and increased demands with exceptional capability.I thank Chairman HOBSON and Ranking Member OLVER for their leadership in crafting this legislation and for their support of the Guam Army National Guard Readiness Center. I urge my colleagues to support the Conference Report as it is good for our nation's military infrastructure and supportive of our men and women in uniform.

Mr. OLVER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. THORNBERRY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. Both sides have yielded back all time for debate on the conference report.

Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.J. Res. 69, making further continuing appropriations for the fiscal year 2002, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2002

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of the joint resolution (H.J. Res. 69) making further continuing appropriations for the fiscal year 2002, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. OBEY. Mr. Speaker, reserving the right to object, and I do not intend to object, but I simply take this reservation in order to afford the gentleman the opportunity to explain to the House what it is we are doing.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding and for reserving the right to object so we can have this brief discussion.

Mr. Speaker, the legislation before the House, H.J. Res. 69, will extend the current continuing resolution for an additional week, allowing the Government to continue to operate through October 31.

As my colleagues are well aware, we have lost several days because of evacuations of the Capitol and for other reasons. We intend to complete the appropriations business expeditiously, but we do need to extend the CR through the 31st. The terms and conditions of the previous CRs remain in effect. All ongoing activities will be continued at current rates under the same terms and conditions as fiscal year 2001.

Mr. Speaker, I want to thank the gentleman for the time, and I want to thank the gentleman for his cooperation in making sure that the business of the House is expedited.

Mr. OBEY. Mr. Speaker, continuing under my reservation, let me simply say I support this resolution, and I think the entire House will as well.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 69

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 107–44 is further amended by striking the date specified in section 107(c) and inserting in lieu thereof ''October 31, 2001''.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, the Chair will now put each question on which further proceedings were postponed earlier today in the following order: conference report on H.R. 2217 and conference report on H.R. 2904.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in the series.

CONFERENCE REPORT ON H.R. 2217, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2002

The SPEAKER pro tempore. The pending business is the question of agreeing to the conference report on the bill, H.R. 2217, on which the yeas and nays are ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 380, nays 28, not voting 22, as follows:

[Roll No. 393]

YEAS—380

Ackerman
Aderholt
Akin
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett
Bartlett
Barton
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Cox
Coyne
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Hulshof
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (PA)
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—28

Barr
Berry
Crane
Duncan
Emerson
Flake
Goode
Goodlatte
Green (WI)
Hall (TX)
Hefley
Hostettler
Johnson, Sam
Jones (NC)
Kerns
Moran (KS)
Paul
Petri
Rohrabacher
Royce
Ryun (KS)
Schaffer
Sensenbrenner
Stearns
Tancredo
Tiberi
Toomey
Wu

NOT VOTING—22

Abercrombie
Allen
Bass
Blagojevich
Burton
Buyer
Carson (OK)
Conyers
Costello
Cubin
Hill
Hunter
John
LaTourette
McCarthy (NY)
Miller (FL)
Peterson (MN)
Phelps
Price (NC)
Reyes
Roukema
Shows

□ 1331

Messrs. TANCREDO, SCHAFFER, HEFLEY, GOODE, BARR of Georgia, PETRI, HALL of Texas, and SAM JOHNSON of Texas, and Mrs. EMERSON changed their vote from ''yea'' to ''nay.''

Messrs. ROEMER, GREEN of Texas, and HOLT changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. BASS. Mr. Speaker, I was unavoidably detained and missed rollcall vote 393. I would like the RECORD to show that had I been present I would have voted ''yea.''

Mrs. MCCARTHY of New York. Mr. Speaker, on roll call vote 393, I was told we would have a 5-minute warning bell before the last vote, which we did not have. I was at a Members-only briefing.

I missed vote 393. Had I been present, I would have voted yea.

Mr. BLAGOJEVICH. Mr. Speaker, on rollcall No. 393, I was told that we would have a 5-minute warning, but there was no bell. I was at a Members-only briefing and I missed vote 393.

Had I been here, I would have been an enthusiastic yea vote.

CONFERENCE REPORT ON H.R. 2904, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2002

The SPEAKER pro tempore (Mr. QUINN). The pending business is the question of agreeing to the conference report on the bill, H.R. 2904.

The Clerk read the title of the conference report.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 1, not voting 20, as follows:

[Roll No. 394]

YEAS—409

Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen

Bereuter
Berkley
Berman
Berry
Biggert
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Rehberg
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—20

Abercrombie
Bilirakis
Burton
Callahan
Conyers
Cubin
Everett
Kleczka
LaFalce
LaTourette
McNulty
Menendez
Miller (FL)
Peterson (MN)
Price (NC)
Regula
Reyes
Rogers (KY)
Roukema
Shows

□ 1345

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SHOWS. Mr. Speaker, I was away from the House floor on official business on Wednesday, October 17, 2001, and was unable to cast recorded votes on rollcalls 393 and 394.

On rollcall 393 I would have voted ''yea.''

On rollcall 394 I would have voted ''yea.''

PERSONAL EXPLANATION

Mr. BURTON of Indiana. Mr. Speaker, due to unforeseen circumstances, I was unable to be available on the House floor during the following rollcall votes. Had I been here I would have voted ''yea'' on rollcall votes numbered 390–394.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM WEDNESDAY, OCTOBER 17, 2001, TO TUESDAY, OCTOBER 23, 2001, AND FOR CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE FROM WEDNEDSDAY, OCTOBER 17, 2001, OR THURSDAY, OCTOBER 18, 2001, TO TUESDAY, OCTOBER 23, 2001

Mr. ARMEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 251) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 251

*Resolved by the House of Representatives (the Senate concurring),*That when the House adjourns on the legislative day of Wednesday, October 17, 2001, it stand adjourned until 12:30 p.m. on Tuesday, October 23, 2001, for morning hour debate, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Wednesday, October 17, 2001, or Thursday, October 18, 2001, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until 10 a.m. on Tuesday, October 23, 2001, or at such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, October 24, 2001.

The SPEAKER pro tempore (Mr. QUINN). Is there objection to the request of the gentleman from Texas?

There was no objection.

FREEDOM TO MANAGE ACT OF 2001—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Government Reform and the Committee on Rules:

To the Congress of the United States:

I am pleased to transmit for immediate consideration and prompt enactment the ''Freedom to Manage Act of 2001.'' This legislative proposal would establish a procedure under which the Congress can act quickly and decisively to remove those structural barriers to efficient management imposed

by law and identified by my Administration.

This proposal is part of the ''Freedom to Manage'' initiative outlined in the ''President's Management Agenda'' issued in late August. The initiative includes additional legislative proposals, to be transmitted separately, that would give Federal agencies and managers the tools to more efficiently and effectively manage the Federal Government's programs by: (1) providing Federal managers with increased flexibility to manage personnel; (2) giving agencies the responsibility to fund the full Government share of the accruing cost of all retirement and retiree health care benefits for Federal employees; and (3) giving agencies greater flexibility in managing and disposing of property assets.

In transmitting the Freedom to Manage Act, I am asking the Congress to join with my Administration in making a commitment to reform the Federal Government by eliminating obstacles to its efficient operations. Specifically, the Freedom to Manage Act would establish a process for expedited congressional consideration of Presidential proposals to eliminate or reduce barriers to efficient Government operations through the repeal or amendment of laws that create obstacles to efficient management or the provision of new authority to agencies.

The Freedom to Manage Act would provide that if the President transmits to the Congress legislative proposals relating to the elimination or reduction of barriers to efficient Government operations, either through repeal or amendment of current law or the provision of new authority, special expedited congressional procedures would be used to consider these proposals. If a joint resolution is introduced in either House within 10 legislative days of the transmittal containing the President's legislative proposals, it would be held in committee for no more than 30 legislative days. It would then be brought to the floor of that House very quickly after committee action is completed for a vote under special procedures allowing for limited debate and not amendments. Finally, a bill passed in one House could then be brought directly to the floor of the other House for a vote on final passage.

As barriers to more efficient management are removed, the Nation will rightly expect a higher level of performance from its Federal Government. Giving our Federal managers ''freedom to manage'' will enable the Federal Government to improve its performance and accountability and better serve the public. I urge the Congress to give the Freedom to Manage Act 2001 prompt and favorable consideration so we can work together in the coming months to implement needed and overdue reforms.

GEORGE W. BUSH.
THE WHITE HOUSE, *October 17, 2001*.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–133)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act, 50 U.S.C. 1622(d) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the *Federal Register* for publication, stating that the emergency declared with respect to significant narcotics traffickers centered in Colombia is to continue in effect for 1 year beyond October 21, 2001.

The circumstances that led to the declaration on October 21, 1995, of a national emergency have not been resolved. The actions of significant narcotics traffickers centered in Colombia continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States and to cause unparalleled violence, corruption, and harm in the United States and abroad. For these reasons, I have determined that it is necessary to maintain economic pressures on significant narcotics traffickers centered in Colombia by blocking their property or interests in property that are in the United States or within the possession or control of United States persons and by depriving them of access to the United States market and financial system.

GEORGE W. BUSH.
THE WHITE HOUSE, *October 16, 2001*.

PERIODIC REPORT ON NATIONAL EMERGENCY WITH RESPECT TO SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–134)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to significant narcotics traffickers centered in Colombia that was declared in Executive Order 12978 of October 21, 1995.

GEORGE W. BUSH.
THE WHITE HOUSE, *October 16, 2001*.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Georgia (Ms. MCKINNEY) is recognized for 5 minutes.

(Mrs. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

AMERICA'S FOREIGN POLICY WITH REGARD TO AFGHANISTAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROHRABACHER. Mr. Speaker, first and foremost, I would like to thank the gentleman from Maryland (Mr. BARTLETT) for exchanging his time with me. He will be speaking right after I am done, but I have a pressing appointment dealing with the very issue on which I am speaking, which really made it imperative that I speak at this time. I thank the gentleman from Maryland for the consideration that he has given me on this one.

Mr. Speaker, it has been 1 month and 1 week since 6,000 Americans were slaughtered in New York and the Pentagon. Needless to say, our lives will never be the same. So much has happened, and at this moment so much is happening, that at times it is as confusing as it is awesome.

But amid this chaos and runaway emotions, our President, George W. Bush, has proven a steady hand, and has refused to go off half-cocked. He

has been courageous and decisive. He has acted with deliberation, and has been methodical in his approach.

I was so proud that our President decided that a major humanitarian commitment be made as part of our battle plan in Afghanistan and against the terrorists in Afghanistan. With thousands of our own people being slaughtered, we could have just struck out blindly, but we are not doing that.

A tremendous effort has been made in this volatile environment to protect the rights and safety of our own Muslim Americans, and we are reaching out to Muslim countries and their people.

In Afghanistan itself, we are in fact limiting our retaliation to bin Laden's terrorists and to the Taliban regime that gave him safe haven. Underscoring the noble motives that still direct our actions, President Bush recently drew our attention to the larger percentage of Afghan children who are orphans, and asked that the children of America make it a personal project to help these Afghan youngsters who have suffered so much. What other country would be so gracious?

President George W. Bush is not only our leader in this crisis, not only our Commander in Chief, but also a wonderful inspiration for us to live up to our ideals. America has not always been right, and certainly we have many black marks in our history, but we can be proud of our record because we have often tried to do our best; more often than not, tried to do what was right; and looked out, more than any other country that one can record, to do the right thing and to respect the human rights of people everywhere, even those of our enemy.

We rebuilt the economies of our former enemies during World War II, and sent some of our young people, many of our young people, in fact, in the last century, to defeat the forces of tyranny wherever they were.

Let us remind the Muslim world, for example, that the last two places that America sent her young people to intervene, our young soldiers, were in Bosnia and Kosovo. In both cases we sent our Armed Forces around the world to a place that had nothing to do with our own security in order to save Muslim people who were being murdered by armed thugs; and those thugs, of course, claimed to be Christians.

We understand, of course, that Christians would not participate in the murderous and heinous crimes that were being committed against the Muslims in the Balkans.

Similarly, we would hope that the Muslims of the world will make it clear, as many have, that the ghoulish slaughter of innocent Americans was totally inconsistent with their religious convictions, with the teachings of Islam.

In terms of our country today, even though we have tried our best to help those around the world who are suffering, we have been the target of unprecedented hatred. Our open and free society is maligned and vilified with a staggering level of venom and vitriol.

□ 1400

Perhaps to understand this, we need to go back a few decades to a far different time, during the Cold War. I worked in the White House during the years when Ronald Reagan brought the Cold War to an end, culminating with the dismantling of the Communist dictatorship that controlled Russia and its puppet States. Essential to a great victory was President Reagan's support for various people who were fighting to free themselves from Communist tyranny.

The bravest and most fierce of these anti-Soviet insurgents were in Afghanistan. There are a lot of Monday morning quarterbacks these days who would suggest now long after that war has been over and the Cold War has come to a successful conclusion that we should not have supported those freedom fighters whether in Afghanistan or elsewhere because freedom fighters, of course, these insurgents, were not perfect people and, in fact, did commit some crimes, and there is no doubt about it.

Those folks who are now complaining about that strategy which ended up saving the world from a nuclear holocaust and from a Cold War that went on and on, those folks who are complaining about it do not even have good 20/20 hindsight.

Clearly and unequivocally the American people can be proud that we provided the Afghan people the weapons they needed to win their own freedom and independence from the Soviet Union, which was occupying their country. That Cold War battle was a major factor in breaking the will of the Communist bosses in Moscow, thus ending the Cold War. This, however, is where we must begin if we are to understand the grotesque crime committed against the American people on September 11.

One of the common errors found in news reporting as of late has been the suggestion that those holding power in Afghanistan today are the same people who we supported in the war against Soviet occupation of Afghanistan in the 1980s. The liberal press likes to suggest that we, meaning the American people, armed and trained those who have now come back to murder us on September 11. This by and large is wrong. It is factually in error.

Yes, there are some of those currently in power in Kabul who also fought the Russians, but by and large we are talking about two different groups of people. Those who fought the Soviet occupation were called the Mujahedin, and during my time at the White House, I had the opportunity to meet most, if not all, of the leaders of the Mujahedin who fought against Soviet occupation of Afghanistan.

There was seven major factions, and it is significant that the current Taliban leadership does not include any of these wartime leaders against the Soviet occupation, not one. After I left the White House and was elected to Congress, I had been working with these Mujahedin leaders, and I felt very strongly about their cause. So when I was elected to Congress, but before I got sworn into Congress, I had 2 months on my own between November and January. So I took that opportunity and I hiked into Afghanistan as part of a small Mujahedin unit and engaged in battle against Russian and Communist forces near and around the City of Jalalabad.

The muja I marched with were incredibly brave, but they were not senseless killers. They had religious faith, and certainly they were devout, but they were not fanatics. In fact, they prayed daily but I did not see them chastising the many Afghans who were with us who were not joining them in prayer. They faced death but their dreams were of life.

In fact, a boy, probably 16, 17 years old, an AK–47 strapped over his shoulder, ran up to me as we marched through the Afghan countryside. It was at night and the cannons were going off in the distance. I could see them light up the sky. I could hear the thunder of the cannons roaring. This young man came up to me, and in almost perfect English said, ''They tell me you're in politics in the United States.'' I said, ''Yes, I am.'' He said, ''Tell me, are you a donkey or are you an elephant?'' I said, ''I am an elephant.'' He said, ''I thought you were.''

I asked this young man, ''What do you want to do with your life?'' He said, ''I want to become an architect because I want to rebuild my country when this is over.'' I do not know if he survived that war. I do not know if he survived the Battle of Jalalabad, but I do know there are young people like that whose lives have been wasted and talents wasted in war and conflict in all these years.

The Russians retreated from Afghanistan about a year after that conversation, after that Battle of Jalalabad, and when the Russians left, the United States, which had been providing the resistance, a billion dollars a year to finance that war, we simply walked away from those people. We walked away and left Afghanistan to its own fate, this after years of death and destruction. We left them with no guidance, with no resources to rebuild or even the resources they needed to clear the land mines which we had given to them to plant in order to help them defeat the Russians. We did not even help them clear the land mines that we gave them. We left them to sleep in the rubble, and most importantly, we left them with no leadership except that of Pakistan and Saudi Arabia, two countries which have played a shameful role in Afghanistan over these last 10 years.

After the collapse of the Communist regime in Afghanistan, the Mujahedin factions, with no direction from the

United States, began bickering and fighting among themselves. This went on for several years and then in late 1996 a new force appeared, seemingly out of nowhere, the Taliban. These were fresh, well-equipped forces who had by and large sat out the war. They had been in Pakistan in what were called schools. Taliban of course means student, even though of course many of these so-called students are actually illiterate.

All of the money that America provided the Mujahedin during the war it seems, which was billions of dollars, had gone through the Pakistani equivalent of their CIA, which is called the ISI, and apparently enough money had been siphoned off of that to create a third force which is what the Pakistanis did, the Taliban, and when the war was over and other factions were bled white, they moved forward to dominate Afghanistan.

Also behind the Taliban not only are the Pakistanis but Saudi Arabia. During the war against the Russians, the Saudis provided the Afghan resistance with hundreds of millions of dollars. Unfortunately, that money mainly went to anti-Western, as well as anti-Communist Muslims. One of those was bin Laden.

I remember as I was hiking through in that patrol that I took up to that battle, we hiked past a camp that had these beautiful white tents and suburbans and everything like that out there, generators. While most of the Mujahedin were sleeping in the gully eating cold food, there were these Wahabis, these Arab Mujahedin, who were living like kings. Guess what? They hated Americans so much that my Afghan friends told me, ''Do not speak any English, these people hate Americans as much as they hate Russians. Even though you are here to save us, they will come and attack and kill all of us if they know an American is with us,'' and by the way, they are being led by some crazy man named bin Laden. That was back in 1988.

Years later, after the Soviet troops left and the muja factions were bickering, I knew something had to be done, so I met with the head of Saudi intelligence, a General Turki, and I suggested to him that we bring back the exiled king of Afghanistan. He was King Zahir Shah, who was overthrown in 1972, and that in his overthrow started a bloody cycle of events that led to the Soviet invasion in 1979 and then the subsequent war against occupation, the chaos and confusion and millions of deaths and maimings.

But General Turki wanted nothing to do with bringing back a moderate, good-hearted exiled king. Instead, the Saudis and their Pakistani allies were in the process of creating this third force. And he told me there is going to be another force that will emerge called the Taliban. What he did not tell me is that the Taliban were designed just to do the bidding of Saudi Arabia and Pakistan.

Why Saudi Arabia and Pakistan? Why are they so concerned with Afghanistan? Well, there are three explanations. The first explanation is that they both share a common fanatic religion. Many of the people in Pakistan and many of the people in Saudi Arabia share the same fanatic crazy form of Islam which is totally out of sync with 90 percent of the rest of Islam.

There are two other explanations, one for the Pakistanis, and that is when the Taliban took over they took over the poppy field. What does Afghanistan produce? What did it produce for all these years under the Taliban? Sixty percent of the world's heroin. And the Pakistan's ISI, their equivalent of the CIA, were up to their eyeballs in the drug trade and everybody knew it, and they did not want the Taliban overthrown for obvious reasons. They were business partners.

And then of course the Saudis. The Saudis, who are now trying to make up for this past sin of putting the Taliban in power. They did not want the Taliban out because with the chaos and confusion of the Taliban, there would never be a pipeline built through Afghanistan so that the oil glut that we find in Central Asia, massive amounts of oil would never be able to make it to market because the pipeline had to go through Afghanistan to get that oil out to market. Guess what? That would have decreased the price of oil in the world by $3 to $4 to $5 a barrel.

So it was oil and drugs and religious fanaticism. That is what kept the Taliban in power. That is what put the Taliban in power.

As General Turki suggested when the Taliban first arrived, he suggested they would be viewed as liberators, as people who were going to bring stability, and that is what they were. By and large I will have to say that when the Taliban first arrived in late 1996, the people of Afghanistan were so hungry for stability and they were told that these were nice religious people, they accepted the Taliban and they wanted to believe that they would bring stability and peace to Afghanistan, and many people gave them the benefit of the doubt.

Unfortunately, that was not what the reality was, which the people of Afghanistan were soon to find out. As the Taliban expanded towards the north, they were stopped by the people of the northern provinces who refused to let these unfamiliar troops just come into their territory and take over their provinces. That is when real battles begin to break out. Then the rest of the people who are under Taliban control and the rest of Afghanistan, as well as the rest of the world, were soon to discover that the Pakistanis and the Saudis had created a monster. The Taliban were and are medieval in their world and religious views. They are violent and intolerant fanatics, and they are totally out of sync with Muslims throughout the world, especially Muslims living in Western democracies.

The Taliban are best known for their horrific treatment of women, but they are also broadbased violators of all human rights, human rights across the board. They have jailed and threatened to execute Christian workers who just dared to espouse a belief in Jesus Christ, and they ended all personal freedoms and freedom of speech and the press was not even under consideration. They ruled by fear and violence.

That explains why they have been willing to give safe haven to the likes of bin Laden, the Saudi terrorist who has been in Afghanistan for years training terrorists and planning attacks on the West. Yes, bin Laden has an army of several thousand gunmen who have been marauding around Afghanistan like a pack of mad dogs, killing and brutalizing the population in order to keep the Taliban in power.

These foreign religious fanatics have killed thousands of Afghans. In fact, the Taliban and bin Laden they are so despised by the Afghanistan people, and here is how we can understand that, these people have killed more Afghans than they have killed Americans. We grieve the loss of 6,000 Americans and we come from such a large country. These murderous Taliban and bin Laden's foreign troops have killed more Afghans than they have killed Americans, and there is only 13 million people in Afghanistan.

For these last 2 years the Taliban, with the support of Saudi Arabia and Pakistan have captured control of all but a small portion of that country. Only the northeastern Panjshir Valley, which is in northeastern Afghanistan, and in the Shamali Plain north of Kabul were free from the Taliban because they were under the command and under the protection of the legendary and dashing leader, Commander Masood and that area was the only area free from Taliban control up until this time.

The day before the attack on the United States, however, there was an attempt to kill Commander Masood although he was reported dead immediately, he struggled on for life for another 5 days. That attack on Commander Masood told me that something horrible was about to happen. Something horrible was going to happen to the United States because Masood was someone that bin Laden's enemies would obviously turn to in an attack or a retaliation against the Taliban.

I was so concerned and dismayed that I made an appointment to see the top levels of our National Security Council at the White House. My appointment was set for 2:30 September 11. At 8:45 that morning the first plane slammed into the World Trade Center. But the Taliban domination of Afghanistan need not have happened and it certainly need not have been able to keep its grip on power.

As a Member of the Committee on International Relations for years, I pleaded with the Clinton administration to provide some kind of help for

the Northern Alliance and to those others who were opposing the Taliban rule.

□ 1415

President Clinton would have none of it. In fact, his administration was, in many ways, responsible for keeping the Taliban in power.

Now, every time I suggest this, people go ballistic. They believe I am being partisan at a moment when, of course, national unity is the order of the day. And I beg people just to hear me out. I would never do this. It would be sinful to be partisan at a time like this. But it is an important truth, the things I believe to be true, and I am trying to express them, and this is not based on any type of partisan consideration.

I take no joy in reporting that I, who have been more involved in Afghanistan than any other Member of Congress, have every reason to believe that the last administration had a covert policy of supporting the Taliban regime. As a senior member of the Committee on International Relations, after I came to this conclusion, I officially requested the State Department documents, the cables, the memos, the briefing papers that would prove or disprove my suspicion. The gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations, joined me in that request.

Secretary of State Madeleine Albright, on two occasions, officially promised me those documents and said that they would be made available to me. After all, I was a senior member of the committee with oversight responsibility of the State Department and American foreign policy. What happened was as alarming as it is appalling. I was stonewalled for several years. My request for those documents pertaining to the development of America's and our government's policy toward the Taliban was ignored. I was given meaningless documents, many times newspaper clippings by the State Department, in order for them to claim that they were trying to fulfill our request.

The State Department made a joke out of Congress' right to oversee American foreign policy concerning the Taliban in Afghanistan. That is what we have been going through for 3 years. When I repeatedly complained that this could not be allowed to happen, that it was undermining Congress' right to oversee a very important policy, I was belittled and my requests were treated as if they were irrational.

Well, I believe the reason those documents were kept from me is that they would have proven that the Clinton administration approved, all the way up to the President himself, in keeping the Taliban in power. This is even after it was clear that the Taliban were monstrous violators of human rights, especially women's rights, and it was becoming a safe haven for terrorists and drug dealers. Bin Laden was there and 60 percent of the world's heroin was originating there.

By the way, in Afghanistan, let me note, and all of this is shocking to Americans and I was shocked by it all, but in Afghanistan it is commonly believed that the United States put the Taliban in power and that until recent hostilities, it has commonly been believed that we supported the regime. And there are many reasons for people to believe this. All U.S. foreign aid to Afghanistan in these last 5 years have been channeled through the Taliban, even though there were large areas at times where the Taliban did not control and were controlled by people who opposed the Taliban.

More than that, when some others, like myself and others, would get together to try to put together humanitarian efforts that would go to the areas in Afghanistan controlled by anti-Taliban forces, we were blocked by the State Department. Not only did our government's aid not go to anyone outside the Taliban-controlled areas, the State Department blocked our efforts to get private aid to those people.

Then there has been Voice of America. It has been so one-sided in its coverage that it is known in Afghanistan as the voice of the Taliban. So the Voice of America, all these years, has been so lopsided in favor of the Taliban it has been known as the Voice of the Taliban. And thank goodness just recently a new director of the Voice of America, Bob Reilly, has committed to undo this terrible deed.

But there are some other actions that have taken place during the Clinton administration that go right to the heart of the charge I am making; and people should listen very carefully to an example that led me, which after this happened I just knew this was the Clinton administration and I could not deal with them, they were obviously not going to help us because they were undermining the efforts of the anti-Taliban forces, but in 1997, for example, the Taliban overextended their forces. Thousands of their best fighters were captured in northern Afghanistan. The Taliban regime was vulnerable as never before and never since. It was a tremendous opportunity. The opposition could have easily dealt a knockout punch to the Taliban.

At that time I was personally in contact with the leaders of what is called the Northern Alliance, and I recommended a quick attack and bringing back old King Zahir Shah to head a transition government. Well, this was a turning point, because the Taliban were vulnerable then. They could have been taken out easily. Their best fighters and tanks and aircraft had been taken, and the old moderate king, he was ready to do his duty. Who at this moment of vulnerability saved the Taliban? Well, President Bill Clinton, that is who.

Again, please, I beg of you do not dismiss what I say. Do not say he is just being partisan, because I am not. Again, that would be a horrible thing. This is the truth, so help me God; and I am trying not to be partisan in fact. What happened was, at this moment when the Taliban could have been eliminated, President Clinton dispatched Assistant Secretary of State Rick Inderfurth and Bill Richardson, our United Nations Ambassador, up to the northern part of Afghanistan to convince the leaders of the Northern Alliance not to go on the offensive but, instead, to accept an arms embargo against all parties and a cease-fire.

Well, these people up in northern Afghanistan had been fighting the Taliban. This is very impressive to have someone at that level, Assistant Secretary of State and our United Nations Ambassador bringing words of the President of the United States. This was so impressive that they accepted the deal. These two high-level American officials sent by President Clinton convinced the Northern Alliance to accept a cease-fire and a supposed arms embargo against all sides. Of course, the minute the cease-fire went into effect, the Saudis and the Pakistanis began to massively rearm and resupply the Taliban and rebuild their forces.

Our intelligence knew about this massive resupply effort. They conveniently kept Congress from knowing it, and they conveniently kept the Northern Alliance in the dark. The arms embargo against the Taliban meant nothing, but the arms embargo against the Taliban's enemies in the Northern Alliance was enforced and was expected to be followed and was still in place. So the Taliban rearmed; and as soon as they did, they drove the Northern Alliance nearly out of the country. They had been weakened, of course, by a one-sided arms embargo.

And who put it in place? This was not an accident. This was a conscious policy. For years, before that and since that time, I begged the Clinton administration, our government, to do something about the Taliban. The only response I got was the stonewalling of my requests to find out exactly what the Government's real policy was towards Afghanistan. All the while, bin Laden, who had already killed American military personnel and had declared war on the United States of America, was running around Afghanistan using it as a base of operations and a safe haven for terrorist attacks.

Let us not forget he was involved with trying to kill the Pope in the Philippines, and he was involved with terrorist activities elsewhere. Yet we let him stay there and let the Taliban regime stay in place and did nothing. We were, in fact, doing more than nothing; we were supporting the Taliban. Our aid went through there. They undermined any effort to send aid coming through the non-Taliban areas.

Voice of America was making sure that anything that was anti-Taliban was balanced off by a Taliban spokesman. But if you had a Taliban spokesman, it did not have to be balanced off

with someone else. So it was two-to-one coverage in favor of the Taliban on the Voice of America.

Now, why is this? Why did we convince the Northern Alliance to go into a cease-fire and a one-sided arms embargo? I believe that it was part of a yet undisclosed understanding with Saudi Arabia and Pakistan to let them dominate Afghanistan. This understanding was obviously turning into a nightmare. Now, by the way, that understanding might have happened during the Bush administration. George W. Bush's father may have had an understanding with the Saudis and the Pakistanis that they would let those people dominate Afghanistan.

But once that understanding was turning into a nightmare and the full truth of what the Taliban were all about, we should have immediately ceased that agreement. And yet our leaders, with all of the evidence to show that the Taliban were a horrible blight on the decent people of the world and a threat to the world, our leaders lacked the will to change the situation and to say to the Saudis and the Pakistanis, No more of this. These people are human rights abusers. Look at the way they treat women. They have terrorists operating out of there. They are growing heroin. They are done. No, we could not get ourselves to say that.

Over and over again, when I warned on the record and off the record, in dozens of places and during dozens of hearings that we could not turn our back on this Taliban threat or it would come back to hurt our country, nobody paid attention.

Mr. Speaker, I insert for the RECORD some of the many statements that I made during that time to my colleagues warning them about the Taliban and what it might do.

September 15, 1999—International Relations Committee Hearing ''I would again alert my fellow members of this committee that what is going on in Afghanistan is as important to America's national security as what is going on in Iran, because we have a terrorist base camp.''

August 11, 1998—Letter to Nawaz Sharif, Prime Minister Pakistan, ''International Terrorists like Osama bin Laden will become the deans of terrorism schools in Afghanistan. For example, the recent bombings of US embassies in Africa are tied to Osama bin Laden and his thugs.''

May 21, 1998—Letter to Newt Gingrich, Speaker of the House—''As you may know, Afghanistan has become the world's largest source of heroin. It is also one of the key terrorist training and staging areas in the world. Further, instability in Afghanistan limits the economic and democratic development of Central Asian states and negatively impacts US policy toward Iran. In short events in Afghanistan affect the lives of more than 200 million people in the Central and South Asian region.''

August 10, 1998—Letter to Karl Indefurth (Asst. Sec. State) ''I have been preparing serious alternatives for Afghan policy for the past six years. I have found no willingness on the part of this administration to even try the alternatives that I have suggested. I have come to the conclusion that our goals are different. But for the time being I will give you the benefit of the doubt. The stakes go far beyond Afghanistan. There will be no peace in central Asia, or on the subcontinent between India and Pakistan until the U.S. decides that there will be no peace in this region or elsewhere with a policy that is not based on the fundamental principles of representative government and opposition to tyranny.''

June 29, 2001 International Relations Committee Hearing ''This regime has permitted terrorists to use Afghanistan as a base of operations from which their country has been used as a springboard for operations that have cost the lives of people throughout the Middle East, as well as targeted Americans. That alone should give us a message about the regime and our commitment and what ultimately should have been done.''

July 19, 1999—Floor Debate on the American Embassy Security Act of 1999 ''As the gentleman from New York (Mr. Gilman) has stated, among the greatest threats to the security of American diplomatic missions and personnel is by Osama bin Laden and his legion of terrorists who train and operate out of Afghanistan. The primary benefactors of bin Laden's terrorists are elements in Pakistan and the extremist Taliban militia, who not only host and protect bin Laden but have imposed a reign of terror on the people of Afghanistan and especially on the women of Afghanistan.''

October 30, 2000—Floor Debate on State Department authorization ''This member and anyone who is in the Committee on International Relations will testify, for years I have been warning what the results of this administration's policy towards Afghanistan would be. For years, I predicted over and over again that, unless we did something in Afghanistan to change the situation, that we would end up with Afghanistan as a center of terrorism, a base for terrorism not only in Central Asia but for the world.''

November 9, 1997 House Floor Debate on Afghanistan—''A chaotic Afghanistan will eventually wreak havoc in the United States. It has already caused the lives of American lives and servicemen to be lost. A terrorist trained in Afghanistan helped blow up a building which housed our military people in Saudi Arabia. There was an assassination attempt on the Pope. They found out that the terrorist who was going to assassinate the Pope was trained in Afghanistan. We cannot let this go on, because not only is it immoral to let this go on, but practically speaking, if we do, it will come back and hurt us.''

April 12, 2000—International Relations Committee Hearing ''They (the Clinton Administration) have kept those documents (relating to U.S. policy towards Afghanistan) . . . away from my office, and prevented us from doing the oversight we feel is necessary. And with a regime in Afghanistan like the Taliban, anti-western, making hundreds of millions of dollars off the drug trade, involving the training and base areas for terrorists, that is a destabilizing force for the whole region and this Administration, I think bears full responsibility for whatever deals it has cut with whichever powers, whether they be Pakistan or Saudi Arabia or whoever this deal was cut for this Taliban policy. The historians will note that it is this Administration's fault for cutting such a corrupt deal.''

March 17, 1999—International Relations Committee Hearing ''In Afghanistan in the last few years, what we have seen is the emergence of a regime that is immersed in extremism and terrorism, and a regime that is certainly up to their necks in the drug trade. Doesn't what is going on in Afghanistan pose a threat to any of these future plans for growth, stability and democratic development in Central Asia?''

September 23, 1997—House Floor Debate ''The extremist Taliban Movement is not only responsible for the ongoing suffering of the Afghan people, they pose a grave threat of fundamentalist violence in neighboring countries, especially Pakistan, and their extremism permits Iran to have a greater political role in the region. The Taliban currently provides a haven for terrorists such as bin Laden of Saudi Arabia and the training for terrorist organizations now operating in Egypt, the Balkans, and the Phillippines.''

October 28, 1999—International Relations Committee Hearing ''Well, as I reminded the full Committee at a hearing last week, what is happening in Pakistan has been predicted for a number of years. I personally predicted it time and again saying that if we do not do something about Afghanistan that it would bring democracy down in Pakistan. I do not know how many times I have expressed that and the chickens are coming home to roost in terms of the policy by the United States government that led to this very situation.''

August 10, 1998—Letter to Karl Indefurth (Asst. Sec. State) ''In short, unless this administration, including your office, begins taking a more responsible approach, you will continue to fail miserably, with all the serious national security implications that apply to the United States.''

Well, I knew at that time that this would come back to hurt us; and I am sorry, and it makes us all heartsick to figure that this could have been averted. The heinous crimes committed against us in New York and at the Pentagon was a result, and let us make this clear, was a result not only of bad intelligence but bad policy. That bad policy started when George Senior walked away from the Afghan people. George Bush Senior was President of the United States and walked away.

That policy was made worse when President Bill Clinton, who, for whatever reason, decided that he was going to go on quietly backing the Taliban. And again, that might have been an unspoken agreement that came from the Bush administration with the Saudis and the Pakistanis, but there was no excuse for any President to keep that agreement going when it was so clear that it was working against the people of the world and the security of the United States.

So, in a way, we cannot fault bin Laden for being what he is. We cannot fault him for being a nut case that hates America. The same is true of Mullah Omar and the rest of his Taliban minions. They are mentally unstable and live in their own world. Putting this into perspective, Reverend Jim Jones, who spouted out Christian verses and coupled them with Karl Marx as part of his own dogma, he gave hundreds of his followers Kool-Aid, remember that, that killed them after leading them into a jungle fortress in South America.

Yes, human beings can do crazy things and can be totally irrational. It is our government's job, however, to protect us against this type of dangerous insanity. That is why we spend billions of dollars on defense and intelligence.

So that leaves us with the question of accountability. Yes, bin Laden and the Taliban, even though they are as crazy as they are, they must pay the price. The Taliban will be driven from power. They must be driven from power. And bin Laden and his gang of murderous thugs must be tracked down and executed by our forces or by the Afghan people, who they have tortured and murdered. Whoever, as long as these perverts and killers are eliminated.

□ 1430

But that is not enough. We must also hold accountable those in our government who are supposed to protect us, but let us down; 6,000 of our fellow citizens were slaughtered by anti-American terrorists. Why were we not warned of the horrific attack about to be launched against us?

This was the worst failure of American intelligence in our history, and those who failed must be relieved of their responsibilities if a repeat of this horror story is to be prevented. There was a headline in the Washington Post on September 14 suggesting that American intelligence services had been conducting a secret war against bin Laden for several years. If that is true, then even more we need to fire the incompetent leaders of that covert war. They were responsible for protecting us from this specific terrorist gang. The heads of our intelligence agencies were focused on bin Laden, and they totally missed a terrorist operation of this magnitude run by their number one targeted terrorist leader?

I cannot help but remember a few years ago I was called by a friend who had worked in Afghanistan during the war against the Russians. He indicated that he could pinpoint bin Laden's location. This man is an incredible source. He has credibility. He worked in Afghanistan. I passed on his phone number to the CIA. After a week when they had yet to contact him, I called the CIA again. After another week, there was no response. Our CIA supposedly focused on bin Laden, a man who was a very credible source who knew Afghanistan had pinpointed bin Laden, they did not even call him off.

I contacted the gentleman from Florida (Mr. GOSS), chairman of the Permanent Select Committee on Intelligence, and he ushered me in the next day to meet with a bin Laden task force, the CIA, the NSA, the FBI. Then I found out hundreds of people full time on our employment rolls being paid good salaries with all of the backup focused on bin Laden. I gave them my informant's number; and after a week they, too, had not called him.

Finally, when I talked to the gentleman from Florida (Mr. GOSS) and told him that even that group had not called my friend, he must have shamed them because eventually they called my friend. But when my friend got the telephone call, they acted like they were not interested and they were just going through something they had to do. Anyway, a month had already passed since he moved forward to try to tip us off on how to capture bin Laden.

This is but one of many stories, many examples. I know this one is true. I have to believe some of the others are true as well. But it suggests that there has been less than an energetic commitment by the last administration to get bin Laden, and this was after he had bombed a military barracks on Saudi Arabia.

After that attack on America, bin Laden was banished from Saudi Arabia, and he moved then to Sudan. This is where he set up al-Qaeda, and that is the organization which probably was behind the September 11 attack on New York and the Pentagon. It is significant then that after bin Laden left the Sudan and set up operations in Afghanistan, that the Government of Sudan offered the United States a file on bin Laden's terrorist network. They had all of his communications monitored. They apparently had all of his operatives around the world catalogued, as well as all of his secret bank accounts.

This was information then from a credible source, a country who wanted to curry favor with us. Even if it proved inaccurate, we had nothing to lose by taking a look at that information. Our CIA refused to even look at it, much less take possession of it and copy it. The decision to reject this offer from Sudan, it is reported that this offer was rejected by Madeleine Albright herself, who insisted that the file not even be accepted, much less perused.

Mr. Speaker, I submit for the RECORD an article detailing this incident.

[From The Observer, Sept. 30, 2001]

RESENTFUL WEST SPURNED SUDAN'S KEY TERROR FILES

(By David Rose)

Security chiefs on both sides of the Atlantic repeatedly turned down the chance to acquire a vast intelligence database on Osama bin Laden and more than 200 leading members of his al-Qaeda terrorist network in the years leading up to the 11 September attacks, an Observer investigation has revealed.

They were offered thick files, with photographs and detailed biographies of many of his principal cadres, and vital information about al-Qaeda's financial interests in many parts of the globe.

On two separate occasions, they were given an opportunity to extradite or interview key bin Laden operatives who had been arrested in Africa because they appeared to be planning terrorist atrocities.

None of the offers, made regularly from the start of 1995, was taken up. One senior CIA source admitted last night: ''This represents the worst single intelligence failure in this whole terrible business. It is the key to the whole thing right now. It is reasonable to say that had we had this data we may have had a better chance of preventing the attacks.''

He said the blame for the failure lay in the ''irrational hatred'' the Clinton administration felt for the source of the proffered intelligence—Sudan, where bin Laden and his leading followers were based from 1992–96. He added that after a slow thaw in relations which began last year, it was only now that the Sudanese information was being properly examined for the first time.

Last weekend, a key meeting took place in London between Walter Kansteiner, the US Assistant Secretary of State for Africa, FBI and CIA representatives, and Yahia Hussien Baviker, the Sudanese intelligence deputy chief. However, although the intelligence channel between Sundan and the United States is now open, and the last UN sanctions against the African state have been removed, The Observer has evidence that a separate offer made by Sudanese agents in Britain to share intelligence with M16 has been rejected. This follows four years of similar rebuffs.

''If someone from M16 comes to us and declares himself, the next day he can be in Khartoum,'' said a Sudanese government source. ''We have been saying this for years.''

Bin Laden and his cadres came to Sudan in 1992 because at that time it was one of the few Islamic countries where they did not need visas. He used his time there to build a lucrative web of legitimate businesses, and to seed a far-flung financial network—much of which was monitored by the Sudanese.

They also kept his followers under close surveillance. One US source who has seen the files on bin Laden's man in Khartoum said some were ''an inch and a half thick''.

They included photographs and information on their families, backgrounds and contacts. Most were ''Afghan Arabs,'' Saudis, Yemenis and Egyptians who had fought with bin Laden against the Soviets in Afghanistan.

''We know them in detail,'' said one Sudanese source. ''We know their leaders, how they implement their policies, how they plan for the future. We have tried to feed this information to American and British intelligence so they can learn how this thing can be tackled.''

In 1996, following intense pressure from Saudi Arabia and the US, Sudan agreed to expel bin Laden and up to 300 of his associates. Sudanese intelligence believed this to be a great mistake.

''There we could keep track of him, read his mail,'' the source went on. ''Once we kicked him out and he went to ground in Afghanistan, he couldn't be tracked anywhere.''

The Observer has obtained a copy of a personal memo sent from Sudan to Louis Freeh, former director of the FBI, after the murderous 1998 attacks on American embassies in Kenya and Tanzania. It announces the arrest of two named bin Laden operatives held the day after the bombings after they crossed the Sudanese border from Kenya. They had cited the manager of a Khartoum leather factory owned by bin Laden as a reference for their visas, and were held after they tried to rent a flat overlooking the US embassy in Khartoum, where they were thought to be planning an attack.

US sources have confirmed that the FBI wished to arrange the immediate extradition. However, Clinton's Secretary of State, Madeleine Albright, forbade it. She had classed Sudan as a ''terrorist state,'' and three days later US missiles blasted the al-Shifa medicine factory in Khartoum.

The US wrongly claimed it was owned by bin Laden and making chemical weapons. In fact, it supplied 60 percent of Sudan's medicines, and had contracts to make vaccines with the UN.

Even then, Sudan held the suspects for a further three weeks, hoping the US would both perform their extradition and take up the offer to examine their bin Laden database. Finally, the two men were deported to

Pakistan. Their present whereabouts are unknown.

Last year the CIA and FBI, following four years of Sudanese entreaties, sent a joint investigative team to establish whether Sudan was in fact a sponsor of terrorism. Last May, it gave Sudan a clean bill of health. However, even then, it made no effort to examine the voluminous files on bin Laden.

So bin Laden and the Taliban must pay for their crime. There is no doubt about it. And if we are looking for accountability, let us look at George Bush, Sr., who walked away from Afghanistan and left the Pakistanis and the Saudis to do what the United States should have done, which is help them rebuild their country. There is accountability there. And the Clinton administration, as I have said, must bear a heavy responsibility for a policy, a secret policy, that made a bad thing much, much worse.

Our intelligence agencies, they, too, must be held responsible because obviously there has been a great deal of incompetence that has led, and a malfeasance, that led to the death of 6,000 Americans by this terrorist gang who was supposedly the number one target of our intelligence system.

But there are two other institutions that did not do their job and contributed to this tragedy that we face. Number one, let me note and this is going to be short, I think the news media has to bear some responsibility. I made these statements about Afghanistan on numerous occasions. The news media was there. There were lots of reporters listening. Not one reporter said the gentleman from California (Mr. ROHRABACHER) has a right to read these documents. We are going to do a story on one Congressman's battle to do the oversight in his committee that he is supposed to do.

I did not see any of the newspapers, the Washington Post or the New York Times or the L.A. Times doing this. They did not follow-up. The news media were too concerned with what? They were too concerned about President Clinton's sex life and stories about the sex life of one of our fellow Members of Congress and some affair he had with an intern. Let me say certainly I am not saying that they should ignore these sex stories, but the news media did not have to spend all of their resources and all of their efforts and every story dealing with these sex stories when there were monstrously important stories to cover.

Now we know with just a little bit of effort and time and energy and commitment to some research into what was going on in Afghanistan, we could have been warned by our news media and this could have been averted. The news media was so busy trying to sell papers with sex, get listeners in their broadcast area with sex stories, that they let the American people down; and they should take that seriously.

Second, I think Congress bears some responsibility. We have oversight committees. I do not believe we take our oversight as seriously as we should. I say that for myself as well, even though as Members can see by this example today, I tried my best at least in this situation where I felt it was a life-and-death situation to do my job of oversight.

There are far too many people who just accept baloney from government agencies. I have been briefed by the CIA so many times; I have been briefed by the intelligence services. They give us nothing, and we accept it. We in Congress must do this job that we have in protecting our interests. We have to be more serious about it in our oversight responsibility. I think we have to bear some of the responsibility ourselves.

Mr. Speaker, the slaughter of these thousands of Americans must be avenged. We must see to it that this monstrous crime never happens again. To accomplish this, we must correct the flaws in our system, and all of us must do our job better than we are doing it today.

Now when we are moving against the terrorists in this last phase, moving up to today, we must make sure we are united, and we must make sure that we are strong and smart.

The last time America mobilized our forces and sent them to the other side of the world to fight a criminal regime was during the Gulf War; and that war fighting, that was a situation where we fought the war very well. Our troops did very well, but the political and the strategic decision-making during that last conflict 10 years ago was a disaster.

Again, George Bush, Sr., was President, and just like in Afghanistan, he ordered America to walk away before the job was done. In the case of Iraq, two or more days of fighting would have brought Saddam Hussein down. Instead, we left him in power; and today his regime remains a major security threat to the United States and to the Gulf region.

Would anybody be surprised to find out that Saddam Hussein had something to do with the murderous assault on September 11? We should not have left him alive; we should not have left that regime. We should have helped build a democratic alternative to Saddam Hussein's regime. Perhaps out of consideration to the Saudis, again, we did not do that; and we should have. It would have been consistent with our own ideals, and it would have been practical in the long run.

So our policy was decided by George Bush at that time who left Saddam Hussein in power, and President Clinton in terms of his recent decision with the Taliban, we have left people in power; and we have ended up with America in danger, with American lives in danger.

Believe it or not, some of the same old faces from the first Bush administration are popping up, and I am talking about George Bush, Sr., are popping up to fight this war, even though they screwed up in the last one. The advice that they are giving, as one would expect, is dead wrong.

There are those, for example, in the State Department and the CIA who have argued from the onset of the current crisis that we should be satisfied with having bin Laden handed over to us; and the Taliban, they say, should be permitted to remain in power. This is vital for every American to understand. We have powerful forces in Washington working right now to have the Taliban stay in power. What? After we know what happened with Saddam Hussein, we are going to keep these crazy people in power? What is behind this suggestion? The suggestion is because we have to be considerate of Pakistan. Oh, something might happen to Pakistan. They were the ones that created the Taliban in the first place. They were the ones who kept the Taliban in power.

Now, even after 6,000 Americans have lost their lives, senior American officials at the CIA and the State Department want American policy to reflect the wishes of Pakistan. It is absurd. Because of this mind-set we still have forces within the CIA to this day undermining potential alternatives to the Taliban Government and potential alternatives that the Pakistani Government would not like. They are even holding up support and supplies for these brave Afghanis who would fight with us to overthrow the Taliban regime.

In the middle of a conflict in which these rag-tag armies who are opposing the Taliban are our greater allies, the CIA and the State Department have leaked negative stories about the so-called Northern Alliance. If Members have heard something negative about the Northern Alliance, it is because our own State Department and the CIA have been trying to undermine it.

Our own government's foreign policy officials have been sowing this dissension and undercutting the support for these people because they would like to have someone else who is more acceptable to the Pakistanis to be the leaders of Afghanistan.

Mr. Speaker, America should be in favor of the people of Afghanistan running their own government, and we have an alternative. Let us all remember, America's greatest allies in this are the Afghan people themselves. The desire to dominate Afghanistan by Pakistan is what created the evil force, the Taliban, in the first place.

So what is our alternative? We have an alternative, and we should not be undermining it. First of all, we need to support those people who will fight to liberate their country from the Taliban. But there is another alternative in terms of government. It was a golden age which almost all Afghans remember; it was a moment like Camelot when there was peace and prosperity for decades in Afghanistan. That is when the old King, Zahir Shah, ruled Afghan. He ruled for almost 4 decades.

□ 1445

As I say, he was overthrown in 1972 and that is what began that cycle of horror that they have not even finished yet. But millions of Afghans remember the King and they have told their children, that was a good time for our country.

Well, King Zahir Shah still lives. He is 86 years old. He lives in exile in Rome. The old King is the most beloved person in Afghanistan. The people love him there, but our government under Bill Clinton and right now even our government with CIA officials and State Department officials in our government, they have done everything they can to suppress even the consideration of bringing back the King as an alternative. As I say, the people of Afghanistan love the King.

There was a very famous meeting that took place among Taliban leaders and one that they were badmouthing the King, this good-hearted person everyone loves, and one Taliban leader says, ''Now, wait a minute, you can say anything you want about the King, but when I was a boy my mother asked me to pick berries along the river and the King was fishing at the river. I had a basketful of berries and when the King's guard tried to take it from me, I wouldn't give him the berries. The King walked over and said, 'What's the confusion?' The guard explained to the King that I refused to give him the berries and I told the King that my mother sent me here to bring these berries back for my family. The King kissed me on my forehead and said, 'Always obey your parents. Your mother is very wise. Bring these berries back for your family.' ''

Then the Taliban leader turned to his other Taliban leaders and said, ''And there's not one of us in this meeting that wouldn't have taken those berries for ourselves and eaten them.'' That shows you even how much those people know that the King of Afghanistan is a very good-hearted person. Do not let anybody in our government try to undermine this alternative saying that the leaders of the opposition, the so-called Northern Alliance, which is now an alliance of commanders from all over the country, they call themselves the United Front now, those people have sworn their allegiance to the King because the King has said that he wants to go back to Afghanistan, he will do it for 2 years or 3 years as head of a transition government, and during that time period people with education will come back, they will lay the foundation for a civil government and they will have some sort of democratic process, and then the people of Afghanistan will then proceed to elect their leaders, instead of having our faith in some strong guy to come in and take control of Afghanistan who happens to be a friend of Pakistan.

During the Cold War, we backed many tinhorn dictators, we backed despots and strong guys, and in the Muslim world we had a series of alliances with corrupt and repressive regimes, many of them just based, as I say, on a royal family or some tough guy who was willing to do our bidding. That is not what America is supposed to be about. It would be a better world if we would not be that way and we need not to continue that past mistake.

The exiled King of Afghanistan wants to help in a transition for his country into a more peaceful and democratic nation, like the King of Spain did for his people after his people were plagued by a dictatorship for decades. The United States, in fact, should be working with other monarchies who are willing to do this, too, monarchies to evolve into a democratic process. The royal family in Qatar, for example, is establishing an electoral process in which the rights of women to vote are being respected. In Kuwait they are going somewhat in the same direction. But by and large America's dealings in the Arab world have not furthered the cause of liberty and justice. If we just stick with our ideals, stick with people who want to make a difference in this world, who have good hearts and want and believe in treating people decently and believe in democratic government, we will win. We will affect the entire world. We must make allies with those people in the Islamic world, for example, who want to live in freedom, want to have a democratic government and want to have a more peaceful and prosperous life for their children. Even in Afghanistan, these people would be on our side and they would throw away any relationship with blood-thirsty fanatics.

We do not need to use our troops to invade Afghanistan. Let me make this clear. We are going to hear stories of dissension in the ranks of the anti-Taliban forces. No, there is no dissension. They know that they support the King, but they are going to be told by our own government that there is dissension. These people will do the job. The anti-Taliban coalition is ready to overthrow the rule of the Taliban. They might need some help from Special Forces teams or Rangers who can help them with logistics or with some ammunition, let us say, but the Afghans do not need us to fight. They know how to fight and they are willing to liberate their land from these fanatics and terrorists who have held them hostage. With our help they can free themselves and we can join with them after they free themselves from the Taliban in hunting down and killing every member in bin Laden's terrorist gang and bringing them to ultimate justice. I am saying this not as revenge, because that would be inconsistent with our own values, but killing bin Laden and his gang of fanatics and by joining in an effort to stamp out the scourge of terrorism, we are setting a new moral standard and we are deterring future such terrorism.

The United States has led the world in the defeat of the totalitarianisms of the 20th century. We can now defeat the evil of terrorism by elevating the commitment of civilized nations not to make war on unarmed people. Perhaps it will be called the George W. Doctrine. But what our President is suggesting is that targeting noncombatants anywhere in the world for whatever reason will no longer be tolerated.

This can truly be a step forward for the forces of civilization if this becomes a new standard. We are indeed building a better world on the ashes of the World Trade Center. If it is to be a new standard and not just a justification for our retaliation for the September 11 massacre of our people, if it is to be a new standard, it will help us build a new world. If we are to build on the ashes, we have to start, however, by seeing to it that the bin Ladens of this planet are never again given safe haven. So it not only means hunting down the terrorists but a commitment by all governments of the world not to give safe haven, not to themselves make war on noncombatants but not to give safe haven to terrorists who make war on noncombatants.

On September 11 marks the end of an era. The monstrous crime against our people has set in motion a wave of actions and reactions that will change our lives and change our government and change our world. There must and will be an accounting. At home, those top government executives and the policies that protected the Taliban, they will be held accountable. Those intelligence officers who were so incompetent that this attack came without warning and was so successful, they will have to be held accountable. Especially these people, they are very high-level people I am talking about. I am talking about people who are professional, they are in every department and agency, no matter who is in there, Republicans or Democrats, and they found that these are cushy jobs. They must be cleared out and fired and replaced by people who take their job seriously and have the energy and vision to meet the challenges and threats of today and in the years ahead.

Those countries, Afghanistan, Pakistan and Saudi Arabia, have a price to pay. To be fair, the Pakistanis and the Saudis now understand the horrible things that they have done and are trying to work with us, but they have got to make up for the colossal mistakes they have made and we have got to make sure that we are the ones making the decision, not them making the decisions for us.

Finally, the murderous terrorists themselves, they have the ultimate price to pay. On that, there can be no compromise. We will have a victory over these ghouls who murdered our defenseless fellow Americans and we will win because we are unified as never before and because this generation of Americans has the courage, the tenacity, the ideals and, yes, the leadership that has always been America's greatest source of strength. It is up to us, we will do our duty, and nothing will deter us.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2023

Mr. SHOWS (during the special order of Mr. ROHRABACHER). Mr. Speaker, I ask unanimous consent to remove my name as cosponsor of H.R. 2023.

The SPEAKER pro tempore (Mr. SIMMONS). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

STATE OF THE ECONOMY

The SPEAKER pro tempore (Mr. SIMMONS). Under a previous order of the House, the gentlewoman from California (Ms. SANCHEZ) is recognized for 5 minutes.

Ms. SANCHEZ. Mr. Speaker, I rise today to talk about the state of the economy. The events of September 11 have had a terrible impact on our economy and one of the hardest hit areas has been the tourism industry. Travel and tourism are at the heart of America. They help fuel the engines of growth in both small and large cities throughout our Nation. And few cities in America rely as much as the City of Anaheim, California, which I am proud to represent. Anaheim is home to Disneyland, a tourist attraction like no other. It is the happiest place on Earth. And it is the West Coast's biggest convention area, the Anaheim Convention Center.

Last week, I was shocked to hear that Standard & Poor's had put the City of Anaheim on a credit watch because of concerns of a downturn in tourism. They indicated three areas in the United States where tourism may not come back, and one of them was Anaheim. Anaheim is especially vulnerable because its budget, its city budget, is heavily dependent on tourist spending. Over 54 percent of Anaheim's general fund revenues come from sales and bed taxes. A downgrade in their bond rating would make it more difficult to sell city bonds for projects. It would also lead to higher financing costs. The last time that this city, my hometown, the City of Anaheim, was placed on credit watch was in 1994 during the bankruptcy of the County of Orange.

Thousands of jobs are on the line in my district, jobs at gas stations, at restaurants, at rental car dealerships and at hotels. Taxicab drivers are having a very difficult time trying to make ends meet. Jobs are in jeopardy at many airline subcontractors in my district who make the flight control actuators and the nose wheel steering systems for commercial aircraft. This is only a partial list of the businesses that are beginning to fail in the area of Anaheim and central Orange County. Approximately 15 percent of the private workforce in Anaheim relies on tourism. That is higher than over half of the largest areas where tourism is a dependent industry for cities. Half of the city's top 10 employers are based in the tourism industry.

Last month, Congress helped the airlines with the airline bailout bill. That was for the airlines. However, we left the workers behind. They received nothing, the workers who are or, in so many cases, were the heart and the soul of the airline and tourism industry. That is why I am a proud cosponsor of H.R. 2955, which would provide financial assistance, training and health care coverage to employees of the airline and related industries who lost their jobs as a result of the September 11 tragedies.

What type of economic stimulus package can best help the tourism industry and the people I represent, many of America's workers? As Federal Reserve Chairman Alan Greenspan warned, it is better to be right than to be quick. Yes, we need to get this right, but what we must do is be honest with each other. The American public must acknowledge that any economic stimulus package will likely push the Federal budget into deficit. We spent $40 billion the Friday after September 11. We spent $15 billion the next week on the airlines. Now we are talking about a stimulus package over $100 billion. We need to understand that this money that we are spending, plus the regular spending that we are doing for the coming year, will put us into deficit. We need to work in a bipartisan fashion to develop a responsible stimulus package that boosts the economy in the short term, yet lays the groundwork for long-term prosperity. An effective stimulus package will help the economy get back on its feet by putting money in the hands of those who will spend it.

Last week I was disappointed to hear President Bush describe a stimulus plan that I think is built on ill-advised tax cuts, some of those tax cuts that he did not get done in the first package that he passed through the Congress. The effect of the President's plan would be less to stimulate the economy than to lock in long-term tax cuts. Given that so much of the imaginary surplus that was meant to finance the tax cuts has disappeared, this plan is ill-advised.

All items in an economic stimulus package should be temporary, not permanent. We need to provide immediate stimulus without doing harm to the long-term budget outlook. I support a short-term package that boosts consumer confidence, encourages investment and maintains fiscal discipline which will help keep our long-term interest rates in check. I hope that that is what Congress decides to help the people with.

□ 1500

WHAT MADE AMERICA GREAT

The SPEAKER pro tempore (Mr. SIMMONS). Under the Speaker's announced policy of January 3, 2001, the gentleman from Maryland (Mr. BARTLETT) is recognized for 60 minutes.

Mr. BARTLETT of Maryland. Mr. Speaker, today America is the undisputed superpower of the world. How did we do that? We do not have the most oil or the most gold or silver or diamonds. We do not have the best agricultural land. But yet we are the envy of every Nation in the world. How did we get here?

What I want to spend the next few minutes doing is looking at what made America great, and to do that I am going to plagiarize a sermon given by Dr. Richard Fredericks of the Damascus Road Community Church.

In the quotes that I will give, there will be lots of mention of Christianity. I would like to note that in the time in which these quotes were made, Christianity and religion were essentially equivalent terms; so when you hear Christianity, please think God-fearing person, rather than a specific religion or specific sect.

After the terrorist attacks, it is important that we celebrate our Nation's independence and freedom; that we pause to reflect on our national heritage as a defender of freedom and justice, to remember that our Founding Fathers and hundreds of thousands since bought our freedom at a price. Freedom is never free.

Our national freedom was very costly. Five of the 55 signers of the Declaration of Independence were captured and executed by the British, nine of them died on the battlefields of the Revolutionary War, and another dozen lost their homes, possessions and fortunes to British occupation. Our birth as a Nation was not cheap for these men.

What beliefs and convictions motivated them to do what they did? Increasingly, Mr. Speaker, in the United States today we are told that our Founding Fathers intended there to be this solid, necessary and protective wall erected between Church and State, to separate them, to keep each exclusively in its respective sphere of influence.

The key phrase we now use, which first appeared in the judicial vocabulary in the United States in 1947, is the separation of church and state. By and large, Americans have accepted or acquiesced to this new phrase, though it nowhere appears in the United States Constitution or in the first amendment, where the three words ''separation, church and state'' are not even found at all.

Actually, those three words first appeared together in another constitution. It is the constitution of the United Soviet Socialist Republic. Let me read from article 124.

In order to ensure to citizens freedom of conscience, the church in the USSR is separated from the state and the schools from the church.

The logic behind this phrase is that religion is a private matter that should neither guide nor even be allowed to possibly influence public education, the formation of minds, government

legislation, the formation of laws, and judicial rulings on what is legal and just, the maintenance of justice. These are seen as distinctly secular arenas. Religion as a living force must be kept out of any public process that is in any way supported by any level of local, State or federal funds, and this is especially true of Christianity, or it could threaten the rights and liberty or coerce the minds of nonbelievers.

A few historic and generic references to God are still allowed. Our coins still say ''in God we trust,'' a statement put there by the United States Congress to remind Americans of the true source of their security. Our Supreme Court and the Houses of Congress still invoke the name of God. Presidents are still inaugurated with their hand on the Bible when taking the oath of office.

But each of these traditions is already under attack, and in America today to teach that the great laws and principles of the Judeo-Christian heritage and the morality of the Bible were the unique bases of our national government and offer the guiding norm for our Nation is now an illegal act. Violators of this no-faith-in-the-public-arena dictum are attacked by the American Civil Liberties Union and other watchdog organizations of our now secularized government, legal and public educational systems. Every year teachers are fired for the single offense of answering questions on the meaning of life with a reference to their faith in God, while teachers advocating homosexuality or adultery are protected due to personal rights and freedom of speech.

In the grand American experiment, freedom or liberty has always been the key word and the founding principle. Our Liberty Bell quotes from Leviticus 25:10, ''proclaim liberty throughout all the land.'' The Pilgrims came to America not primarily in search of riches. In fact, many of them left riches to come here, but to obtain freedom to worship, as did most who followed them for the next two centuries.

The American revolution from Britain was about the establishment of a just and free citizenry. Even our bloodiest war, the one that claimed more American lives than all other U.S. wars combined, the American Civil War, was at its heart a battle over two definitions of freedom.

In our day, this American concept of freedom is now defined as the freedom to say anything, show anything, believe or promote anything, and act in any way, with no submission to regard or even respect toward any concept of a guiding prescriptive truth or morality.

There is only one kind of freedom of speech the first amendment no longer protects in this new era; that is prayer. Academic freedom has become the freedom of student or teacher to hold or express views against any national organization or patriotic, moral or religious principle without fear of arbitrary interference, except if the student is deemed bigoted, homophobic, chauvinistic, anti-feministic, imperialistic, police-raid patriotic, religious, politically conservative or otherwise politically incorrect. Then he must be shamed.

The only sacred virtue that is still taught in our secular universities, one that must be protected, is absolute tolerance towards all views and lifestyles as equally valid, valuable and honorable, except any faith-based moral view that challenges that assumption. Then absolute intolerance toward that person is a virtue.

Officially, this all began only about 50 years ago when the Supreme Court made a sharp 180 degree turn. With no historical precedent, they began to uphold the idea that untold damage could be done to American liberty unless the States and courts rejected all recourse or reference to the law of God, the principles of the Bible, and especially the morality and world view that flows from the Christian faith.

To allow the Christian faith to shape the public arena is now condemned as unconstitutional, a reference to its United States Constitution and its subsequent amendments. Since then, our children are taught from grade school through college a view of United States history that claims America never really was a Christian nation. The textbooks are bled dry of all Christian references. They are taught that the Founding Fathers were primarily atheists or deists.

Deism is a belief that God created the world and then left it alone. He removed himself from its affairs so that there is no divine intervention or interaction. God does not answer prayers or get involved in any way. Students are taught that primarily the atheistic, humanistic philosophers of the enlightenment shaped the thinking and writings of America's earliest leaders. Little or no mention is allowed in the classroom concerning the central role the Bible played in shaping the principles of government which guide our Nation.

Increasingly, Christians that seek to express their faith as the guiding factor in their decisions and actions in the workplace, the arena of politics, or in tax-funded education of their children are punished or censored legally and ridiculed personally as dangerous right wing religionists.

My goal is twofold: first, I want to set the record straight by exposing the lie that the last 40 years of revisionist history and arbitrary judicial legislation concerning American history, the faith of the Founding Fathers and the intent of the United States Constitution, especially the first amendment, which protects religious freedom; and, second, I hope to instill in our hearts a renewed boldness for believing that only a true Biblical Judeo-Christian world view could and did produce a Nation like ours, and only a distinctive Judeo-Christian world view can sustain it.

Now, let me take you back on a journey. Were the Founding Fathers deists or atheists? Actually, 52 of the 55 signers of the Declaration of Independence were orthodox, deeply-committed Christians. The other three all believed in the Bible as divine truth, the God of scripture, and his personal intervention. This deep personal faith was also true of all of our Presidents until recently.

This explains why when you go to Washington, D.C., everywhere you turn there are scriptures written on every monument and building. This explains why the same Congress that signed the Declaration of Independence also formed the American Bible Society, which the second and sixth U.S. Presidents served as chairman of. This explains why after creating the Declaration of Independence, immediately the Continental Congress voted to purchase and import 20,000 copies of scripture for the people of this new Nation.

They were not deists or atheists, but believed that the foundation of this new Nation must rest on the revealed truth of scripture and morality and the constant sovereignty of God revealed in scripture.

Let us let them speak directly. Patrick Henry is called the firebrand of the American Revolution. His words spoken in St. John's Church Richmond on March 23, 1775, ''Give me liberty, or give me death,'' are still memorized by students. But in current textbooks the contents of these words is deleted. Here is what he said.

''An appeal to arms and the God of hosts is all that is left us. But we shall not fight our battle alone. There is a just God that presides over the destinies of nations. The battle, sir, is not to the strong alone. Is life so dear or peace so sweet as to be purchased at the price of chains and slavery? Forbid it almighty God. I know not what course others may take, but as for me, give me liberty, or give me death.''

These sentences have been erased from our textbooks. Was Patrick Henry a Christian? The following year, 1776, he wrote this: ''It cannot be emphasized too strongly or too often that this great Nation was founded not by religionists, but by Christians; not on religious, but on the Gospel of Jesus Christ. For that reason alone, people of other faiths have been afforded freedom of worship here.''

Now to the man that historical revisionists most often claim was a deist, thus who believe God was not concerned in the affairs of men, Benjamin Franklin. Was Benjamin Franklin a deist? Let us allow him to speak for himself.

The time was June 28, 1787. Benjamin Franklin was 81 years old, Governor of Pennsylvania and the most honored member of the Constitutional Convention. The convention was deadlocked over several key issues of State and Federal rights when Franklin rose and reminded them of the Continental Congress in 1776 that shaped the Declaration of Independence.

This is what he said: ''In the days of our contest with Great Britain when we were sensible of danger, we had daily prayer in this room for divine protection. Our prayers, sir, were heard, and they were graciously answered. All of us who were engaged in the struggle must have observed frequent instances of superintending providence in our favor. To that kind providence we owe this happy opportunity to establish our Nation. And have we now forgotten that powerful friend? Do we imagine that we no longer need his assistance? I have lived, sir, a long time, and the longer I live, the more convincing proofs I see of this truth, that God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, it is probable that a new Nation cannot rise without his aid. We have been assured, sir, in the sacred writings that except the Lord build the house, they labor in vain that built it. I therefore beg leave to move that henceforth prayers imploring the assistance of heaven and its blessings on our deliberations be held in this assembly every morning before we proceed to any business.''

The following year, in a letter to the French Minister of State, Franklin, speaking of our Nation, said, ''Whoever shall introduce into public office the principles of Christianity will change the face of the world.''

□ 1515

The other deist, it is claimed, probably with most evidence, was Thomas Jefferson. Jefferson was a great student of scripture who honored Christ as his greatest teacher and mentor but doubted his divinity. But was Jefferson a deist ? On the front of his well-worn Bible Jefferson wrote, ''I am a real Christian, that is to say, a disciple of the doctrines of Jesus. I have little doubt that our whole country will soon be rallied to the unity of our creator and, I hope, to the pure doctrine of Jesus also.''

On slavery, Jefferson wrote, ''Almighty God has created men's mind free. Commerce between master and slave is despotism. I tremble for my country when I reflect that God is just; that his justice cannot sleep forever.''

For the revisionist, these two men are their best and only shot at deist; and they clearly were not. Yet from them they generalize to all. So let us turn to our other early leaders. George Washington is called the Father of our Nation. Listen to his heart on the Christian faith. In his farewell speech on September 19, 1796, he said, ''It is impossible to govern the world without God and the Bible. Of all the dispositions and habits that lead to political prosperity, our religion and morality are the indispensable supporters. Let us with caution indulge the supposition,'' that is, the idea ''that morality can be maintained without religion. Reason and experience both forbid us to expect that our national morality can prevail in exclusion of religious principle.''

What did Washington mean by religion? Was he a true Christian? Let me excerpt several lines from his personal prayer book: ''Oh, eternal and everlasting God, direct my thoughts, words and work. Wash away my sins in the emaculate blood of the lamb and purge my heart by thy Holy Spirit. Daily, frame me more and more in the likeness of thy son, Jesus Christ, that living in thy fear, and dying in thy favor, I may in thy appointed time obtain the resurrection of the justified unto eternal life. Bless, O Lord, the whole race of mankind and let the world be filled with the knowledge of thee and thy son, Jesus Christ.''

At Mount Vernon, Washington, you can still see the benediction he selected. It is John 11:25: ''I am the resurrection and the life. He who believes in me shall live even if he dies.''

John Adams, our second President, also served as chairman of the American Bible Society. In an address to military leaders he said, ''We have no government armed with the power capable of contending with human passions, unbridled by morality and true religion. Our Constitution was made only for a moral and religious people. It is wholly inadequate to the government of any other.''

John Jay, our first Supreme Court Justice, stated that when we select our national leaders, if we are to preserve our Nation, we must select Christians. ''Providence has given to our people the choice of their rulers, and it is the duty as well as the privilege and interest of our Christian Nation to select and prefer Christians for their rulers.''

In fact, 11 of the 13 new State constitutions were also ratified in 1776. All required leaders to take an oath similar to this oath of Delaware: ''Everyone appointed to public office must say, 'I do profess faith in God the father and in the Lord Jesus Christ, his only son, and in the holy ghost; and in God who is blessed forevermore I do acknowledge the Holy Scriptures, both Old and New Testaments, which are given by divine inspiration.''

At the time of our Nation's bicentennial 1976, political science professors at the University of Houston began to ask some key questions: Why is it that the American Constitution has been able to stand the test of time? Why has it not gone through massive revisions? Why is it looked on as a model by dozens of nations? What wisdom possessed these men to produce such an incredible document? Who did they turn to for inspiration?

They spent 10 years cataloging 15,000 documents of the Founding Fathers. They found that the Founding Fathers most often quoted these three men. The most quoted was Baron Charles Montesquieu, who wrote in his Spirit of the Laws, 1748: ''The Christian religion, which orders men to love one another, no doubt creates the best political laws and the best civil laws for each people. The morality of the gospel is the noblest gift ever bestowed by God on man. We shall see that we owe to Christianity benefits which human nature alone can never sufficiently acknowledge. The principles of Christianity, deeply engraved on the heart, would be infinitely more powerful than the false monarchies, the humane virtue of republics, or the servile fear of despotic states.''

The second most quoted was Sir William Blackstone, a devout British law professor who believed all laws must be proved from Scripture, and the third was John Locke, whose treatise on civil government quoted the Bible 102 times. Yet, most importantly, they found that the Bible itself was directly quoted four times more than Montesquieu, six times more than Blackstone, and 12 times more than John Locke. In fact, 34 percent of all of the quotes and the writings of the Founding Fathers were direct word-for-word quotes from the Bible. Further, another 60 percent of their quotes were quoting men who were quoting the Bible, so that an incredible 94 percent of all of the quotes in these 15,000 documents were direct quotes from or references to the Bible.

So how did they produce a document that has withstood the test of an evolving government and growing Nation for 225 years? The answer: these men were steeped in the word of God. They understood their need of its constant direction, and they established a Nation based on its undying principles.

Let me illustrate this fact more. When the Founding Fathers were trying to figure out the most effective form of government, they came up with the idea of three distinct branches of the Federal and State government. Do we know how they decided that? They looked to Isaiah 33:22: ''For the Lord is our judge, the Lord is our law-giver, the Lord is our king. He will save us.''

Further, they decided there must be a clear separation of powers in these three branches of government to protect from the rise of despotism. They based that conviction on a true understanding of the human heart they found in Jeremiah 17:9: ''For the heart is more deceitful than all else and desperately wicked. Who can know it?''

When they sought to develop strong churches throughout the land, and they were encouraged, but not supported, by government funds, they set aside government lands to give to churches, and determined all churches were tax-exempt. We still honor that early conviction. That law was based on Ezra 7:24: ''You are also to know that you have no authority to impose taxes, tribute, or duty on any of the priests, Levites, singers, temple servants, or other workers in the House of the Lord.''

These leaders knew their Bible, and they absolutely trusted its wisdom. So the first great lie in America today is that our Founding Fathers were not Christians seeking to establish a Christian Nation. They most decidedly were.

The second lie emerges from the first. It is that the Founding Fathers

established a wall of separation between religion, especially Christianity and government, to ensure that these two would not mix. Do you know that 67 percent of Americans today believe that the phrase ''separation of church and state'' is part of the Constitution? Remember, the words ''separation, church and state'' do not ever appear in the first amendment and appear nowhere together anywhere in the Constitution. Here is the truth: our Founding Fathers had every intention of establishing a distinctly Christian Nation. They had every intent of also giving freedom to Islam, Judaism, Buddhism, or Hinduism. Their intent was to establish a distinctly Christian Nation, but one where no one Christian denomination ruled over the other denominations, as had been the case in so much of Europe. They wanted to honor the fact that under God, all men are created equal in value and rights.

John Quincy Adams was the son of John Adams. He was a U.S. Congressman, the U.S. Minister to Russia, France and Great Britain; Secretary of State under James Monroe; and the sixth U.S. President. He was also the chairman of the American Bible Society, which he considered his highest honor and most important role. Celebrating the 4th of July, 1821, President Adams said, ''The highest glory of the American Revolution was this: it connected in one indissoluble bond the principles of civil government with the principles of Christianity.

Mr. Speaker, 104 years later, the 30th President of the United States, Calvin Coolidge, reaffirmed this truth on March 4, 1925:

''America seeks no empires built on blood and forces. She cherishes no purpose save to merit the favor of Almighty God.'' He late wrote: ''The foundations of our society and our government rest so much on the teachings of the Bible that it would be difficult to support them if faith in these teachings would cease to be practically universal in our country.''

Not only our Presidents, but the Supreme Court, for 160 years consistently and categorically ruled in favor of church and state united hand in hand. The first ruling came in 1796, Runkle v. Winemiller. The Supreme Court ruled: ''By our form of government, the Christian religion is the established religion of all sects.'' They did not consider religions as equal, but only the different variations or denominations of the Christian faith.

The Supreme Court consistently ruled for Christian principle as the foundation of our American laws. In 1811, the Peoples v. Ruggles shows this clearly. Mr. Ruggles' crime was that he publicly slandered the Bible. What would happen today? In 1811, Ruggles was arrested and his case went all the way from New York District Court to the Supreme Court. This was their verdict: ''You have attacked the Bible. In attacking the Bible, you have attacked Jesus Christ. And in attacking Jesus Christ, you have attacked the roots of our Nation. Whatever strikes at the root of Christianity manifests itself in the dissolving of our civil government.''

The Justices sentenced him to 3 months in prison and a $500 fine, one year's wage. This is a more severe punishment than convicted rapists who end up serving on average 85 days in jail.

In 1844, Vida v. Gerrard, a public school teacher, decided she would teach morality without use of the Bible. The Supreme Court ruled ''why not use the Bible, especially the New Testament? It should be read and taught as the divine revelation in the schools. Where can the purist principles of morality be learned so clearly and so perfectly as from the New Testament?''

In a landmark decision rendered February 29, 1892, against the claim of the cult called the Church of the Holy Spirit that Christianity was not the faith of the people, the Supreme Court did two powerful things in its ruling. First, Justice Josiah Brewer stated, ''Our laws and our institutions must necessarily be based upon and embody the teachings of the redeemer of mankind. It is impossible that they should be otherwise; and in this sense and to this extent, our civilization and our institutions are emphatically Christian. No purpose of action against our religion can be imputed to any legislation, State or national, because this is a religious people. This is historically true. From the discovery of this continent to this present hour, there is a single voice making this affirmation.''

But then the Justices went on, citing 87 different legal precedents to affirm that America was formed as a Christian nation by believing Christians. They even spent for the first 100 years tax dollars for Christian missionaries to do the work of evangelism on the frontiers and granted public lands for churches and church-based schools.

Friends, regardless of how we feel about it today, the historical fact is that there was no separation of church and state, other than a lack of government funding of one denomination for 160 years of American history. They were one and the same. The first amendment did not separate religion from government; it simply ensured that no one denomination was favored over all others, as in England.

Let us move across the street from the Supreme Court to Congress.

□ 1530

One example will suffice. As humanism and Darwinism began to rise in the nineteenth century, some made challenges to the idea that America was a Christian Nation. Both Houses of Congress spent 1 year, from 1853 to 1854, studying the connection of America and the Christian faith.

In March 27, 1854, Senate Committee on the Judiciary chair, Senator Badger, issued its final report. Let me quote from this resolution:

''The first amendment religion clause speaks against an establishment of religion. What is meant by that expression? The Founding Fathers intended by this amendment to prohibit an establishment of religion, such as the Church of England presented, or anything like it. But they had no fear or jealousy of religion itself, nor did they wish to see us an irreligious people. They did not intend to spread all over the public authorities and the whole public action of the Nation the dead and revolting spectacle of atheistic apathy.''

What would they say about us today?

I continue to quote:

''In this age there can be no substitute for Christianity. By its general principles, the Christian faith is the great conserving element on which we must rely for the purity and permanence of our free institutions. That was the religion of the Founding Fathers of the Republic, and they expected it to remain the religion of their descendents.''

Based on this report, in May of 1854, in joint session of Congress, this resolution was passed. This is a resolution passed by the Congress, and I quote:

''The great vital and conserving element in our system of government is the belief of our people in the pure doctrines and divine truths of the Gospel of Jesus Christ.''

That was this Congress in May of 1854.

Let us move from Congress to our public schools. For over 140 years, after the first amendment was passed, we spent tax dollars to educate students in public schools that were distinctly Christian.

In 1782, the United States Congress voted this resolution, in 1782 our Congress voted this resolution: ''The Congress of the United States recommends and approves the Holy Bible for use in our schools.''

In grammar schools from 1690 until after World War II, two books were the dominant teaching schools. The first and oldest was the New England Primer, used for 200 years from 1690 to almost 1900. The basics of alphabet were taught on Biblical verses.

One lesson went this way:

''A, A wise son makes a glad father but a foolish son is heaviness to his mother.

B, Better is little with the fear of the Lord than abundance apart from him;

C, Come unto Christ, all you who are weary and heavily laden;

D, Do not do the abominable thing, which I hate, sayeth the Lord;

E, Except a man be born again he cannot see the Kingdom of God.''

The second great teaching tool for 100 years was the McGuffey Reader, which went through three editions and sold over 125 million copies until printing was stopped in 1963.

William Holmes McGuffey was the Professor of Moral Philosophy at Jefferson's University of Virginia, and the first President of Ohio University.

President Lincoln called him the ''Schoolmaster of the Nation.''

In his introduction to teachers at the beginning of his textbook, McGuffey laid out his rationale. Let me quote just two brief paragraphs:

''The Christian religion is the religion of our country. From it are derived our notions on the character of God, on the great moral Governor of the universe. On its doctrines are founded the peculiarities of our free institutions.

''From no source has the author drawn more conspicuously than from the sacred Scriptures. For all these extracts from the Bible I make no apology.''

He went on to say his only apology is for not using the Scriptures more.

Mr. Speaker, why was America great? Because every student coming through our school system was memorizing scripture and learning the Biblical basis of right and wrong, good and evil, sin and salvation. That was the express purpose of our Nation and our Founding Fathers. They were not deists nor atheists, nor were they trying to exclude religion from a guiding role in the Federal Government and all of its institutions.

Of the first 108 universities founded in America, 106 were distinctly Christian, including the first, Harvard University, chartered in 1636 and named after beloved New England Pastor John Harvard.

In the original Harvard Student Handbook, rule number 1, now this is in Harvard, think about it today, rule number 1 was that students seeking entrance must know Latin and Greek so that they could study the Scriptures:

''Let every student be plainly instructed and earnestly pressed to consider well, the main end of his life and studies is, to know God and Jesus Christ, which is eternal life, John 17:3; and therefore to lay Jesus Christ as the only foundation of all sound knowledge and learning.''

For over 100 years, more than 50 percent of all of Harvard's graduates were pastors.

America's law schools for 160 years used Blackstone's Commentaries to train attorneys. Every time that a model case or law was mentioned in Blackstone's Commentaries, next to the law in the margin he would print all of the texts in the Bible that supported and illuminated that law to prove that it was just. Those commentaries trained our lawyers for 160 years, and led to the conversion of many law students.

Perhaps the most famous example was Charles Finney, great American evangelist. Finney studied law, became a believer through reading Blackstone, and was used by God to convert 500,000 people in the great revivals of the 1830s and 1840s.

Mr. Speaker, this is why America was great. David Moore interviewed Bob Vernon, Assistant Chief of Police in the LAPD, in 1991. Chief Vernon had hosted a visiting delegation of leading police officers from the Soviet Union in 1989 who came to Los Angeles to see the model police force. They talked through interpreters.

After several days together, the chief Russian officer stood indignant, pointed his finger, and began to speak vehemently, with passion and conviction.

Vernon asked, ''What did I say? How did I offend him? What did I do wrong?'' The interpreter said, ''You did not say anything wrong. He is simply frustrated and asking you: 'Why is it that America is going the way of the Soviet Union? Why are you moving in that direction? Can you not see that where we have been, it does not work? Why do you push God aside and seek to build only on yourselves?' ''.

That is the question, why? How do we get from where we were for two centuries to where we are in 2001? Let me tell the Members quickly.

First, the great lie. In 1947, the Supreme Court in Everson vs. Board of Education deviated from every precedent for the first time and in a limited way affirmed a wall of separation between church and State in the public classroom.

This was a totally new approach, a radical change in direction for the Supreme Court. It required ignoring every precedent of Supreme Court rulings for the past 160 years.

Then in 1962, less than 40 years ago, in Engle vs. Vitale, the Supreme Court removed prayer from public schools. Since the founding of the Nation, public school classrooms had begun their day with prayer. Now that was declared unconstitutional and an arbitrary use of the word.

The prayer that was banished stated this:

''Almighty God, we acknowledge our dependence on Thee. We beg Thy blessings upon us and our parents and our teachers and our country. Amen.''

But the Supreme Court, without any legal precedent, now declared such prayer to be unconstitutional. Really? The Declaration of Independence mentions God four times, twice in sentences that are clearly intended as written prayers. Is our Declaration of Independence unconstitutional?

Then things happened fast. On June 17, 1963, the Supreme Court ruled in Abington vs. Schemp that Bible reading was outlawed as unconstitutional in the public school system. The Court offered this justification: ''If portions of the New Testament were read without explanation, they could and have been psychologically harmful to children.'' Again, no legal or historical precedent was cited to back up this ruling, Bible reading was now unconstitutional, though the Bible was quoted 94 percent of the time by those who wrote our Constitution and shaped our Nation and its system of education and justice and government.

In 1965, the Courts denied as unconstitutional the right of a student in the public school cafeteria to bow his head and pray audibly for his food. That is against the law in America. In 1980, Stone vs. Graham outlined the Ten Commandments in our public school system. The Supreme Court said this:

''If the posted copies of the Ten Commandments were to have any effect at all, it would be to induce schoolchildren to read them. And if they read them, meditated upon them, and perhaps venerated and obeyed them, this is not a permissible objective.''

Incredible. It is not a permissible objective to allow our children to follow the moral principles of the Ten Commandments? James Madison, who was the primary author of the Constitution of the United States, said this about the Ten Commandments: ''We have staked the whole future of our new nation, not upon the power of government; far from it. We have staked the future of all our political constitutions upon the capacity of each of ourselves to govern ourselves according to the moral principles of the Ten Commandments.''

But the Supreme Court, bound to uphold the Constitution of the United States, ignored Madison's interpretation of his own work. How odd, when above the seat of the Chief Justice of the Supreme Court to this very day the Ten Commandments are listed with the American eagle standing symbolically protecting them. Yet those justices said, ''Not for our children.''

At the close of every Court session since its inception, the Supreme Court crier said, ''God save the United States and the Honorable Court.'' But we cannot say that in our schools.

What has happened in America in these past 40 years? When we were true to our roots, we were the greatest Nation in the world, the dream destination of millions in every country. But starting in 1963, the Bible was banned as psychologically harmful to children. That year, 1963, was the first year an entry about the separation of church and State ever appeared in the World Book Encyclopedia under the United States.

What have we reaped? America 100 years ago had the highest literacy rate of any Nation on Earth. Today we spend more on education than any other Nation in the world, and yet, since 1987, we have graduated more than 1 million high school students who cannot even read their diploma.

We spend more money than any other Nation in the industrialized world to educate our children, and yet, SAT scores fell for 24 straight years before finally levelling off at the bottom in the 1990s.

Has this new protection from religion produced better students? Morally have they changed? Are things better in this new climate of protection from the dangers of religion?

In a 1960 survey, 53 percent of America's teenagers had never kissed, and 57 percent said they had never necked, and that is ''made out'' in our current lingo, and 92 percent of teenagers in

America said they were virgins in 1960. By 1990, just 30 years later, 75 percent of American high school students are sexually active by 18.

In the next 5 years, we spent $4 billion to educate them on how to be immoral through trumpeting the solution of safe sex, and it worked. One in five teenagers in America today lose their virginity before their 13th birthday, and 19 percent of America's teenagers say they have had more than four sexual partners before graduation.

The result? Every day, 2,700 students get pregnant, 1,100 get abortions, and 1,200 give birth. Every day, another 900 contract a sexually-transmitted disease, many incurable. AIDS infection among high school students climbed 700 percent between 1990 and 1995. We have 3.3 million problem drinkers on our high school campuses, over half a million alcoholics, and every given weekend in America, 30 percent of the student population spends some time drunk.

Three thousand children today will watch their parents get divorced, and over 60 percent of the children born this day will spend part or all of their childhood in a single-parent family. There are a quarter of a million reported cases of child abuse every single year, and one in three girls being sexually abused before they are 18, and one in 5 boys. That is America today.

Last year, a young woman in a high school in Oklahoma wrote this poem as a new school prayer. Let me read it for you:

''Now I sit me down in school
Where praying is against the rule!
For this great nation under God—
Finds mention of Him very odd.
If scripture now the class recites
It violates the Bill of Rights.
And any time my head I bow—
Becomes a Federal matter now.
Our hair can be purple, orange, or green.
That's no offense, it's a freedom scene.
The law is specific, the law is precise!
Only prayer spoken out loud are a serious vice.
For praying in a public hall
Might offend someone with no faith at all.
In silence alone we must meditate,
God's name is prohibited by the State.
We are allowed to cuss and dress like freaks,
And pierce our noses, tongues and cheeks.
They've outlawed guns, but FIRST the Bible.
To quote the Good Book makes me liable.
We can elect a pregnant Senior Queen,
and the 'unwed daddy' our Senior King.
It's inappropriate to teach right from wrong,
We're taught that such ''judgments'' do not belong.
We can get our condoms and birth controls,
Study witchcraft, vampires, and totem poles.
But the Ten Commandments are not allowed—
No word of God must reach this crowd.
It is scary here I must confess,
When chaos reigns the school's a mess.
So Lord, this silent plea I make:
Should I be shot—my soul please take!''

Our Nation, which used to lead the world in every arena, now leads the world in these areas. We are number one in violent crime, we are number one in divorce, we are number one in teenage pregnancies, we are number one in volunteer abortions, we are number one in illegal drug abuse, we are number one in the industrialized world for illiteracy. What happened?

□ 1545

First of all, Christianity went to sleep. Forty years ago the church gave up the public arena to an increasingly secular government and said we would focus on the souls of men. Actually, the first leader to call for that division was not one of our founding fathers. His name was Adolph Hitler, who told the preachers of Germany, ''You take care of their souls and I will take care of the rest of their lives.'' The Bible teaches that peace within a Nation comes as God's people stay active and pray for their leaders.

Scripture challenges us in 1 Timothy 2:1–2: ''I urge then, first of all, that requests, prayer, intercession requests for everyone, for kings and all in authority, that we may live peaceful and quiet lives in all goodliness and holiness.''

Here is the million dollar question: Are we better off today? Since we banished God from all our public life and systems and allowed a vocal group of humanist activists to tell us our faith is dangerous to the liberties of this Nation, are we better off? Are we satisfied with what is happening in America?

Alexis de Tocqueville was a famous French statesman and scholar. Beginning in 1831 he toured America for years to find the secret of her genius and strength which was marveled at throughout the world. He published a two-part work titled, ''Democracy in America,'' which is still hailed as the most penetrating analysis of the relationship of character to democracy ever written.

Here is how de Tocqueville summed up his experience:

''In the United States the influence of religion is not confined to the manners, but shapes the intelligence of the people. Christianity therefore reigns without obstacle, by universal consequence. The consequence is, as I have before observed, that every principle in a moral world is fixed and in force.

''I sought for the key to the greatness and genius of America in her great harbors; her fertile fields and boundless forests; in her rich mines and vast world commerce; in her universal public school system and institutions of learning. I sought for it in her democratic Congress and in her matchless Constitution.

''But not until I went into the churches of America and heard her pulpits flame with righteousness did I understand the secret of her genius and power. America is great because America is good; and if America ever ceases to be good, America will cease to be great!''

That is why America was great. That is why America is now a mess.

Let me close by suggesting the answer offered us by President Abraham Lincoln in the address he gave calling for April 30, 1860, seeking a national day of humiliation, fasting and prayer, and I read from Abraham Lincoln:

''We have been the recipients of the choicest bounties of Heaven. We have been preserved these many years in peace and prosperity. We have grown in numbers, wealth and powers as no other Nation has ever grown.

''But we have forgotten God. We have forgotten the gracious Hand which preserved us in peace, and multiplied and enriched us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own.

''Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving Grace, too proud to pray to the God that made us! It behooves us then to humble ourselves before the offended Power, to confess our national sins and to pray for clemency and forgiveness.''

This was Abraham Lincoln.

Now we have an entire population that has no clue of its true American heritage. They have not forgotten; they have never known or heard the truth of our founding as a Christian Nation.

O Lord, forgive us, heal us and lead us to stand for what our fathers fought to give us, to promote the power of the gospel in shaping this Nation and to have the courage of our convictions as Judeo-Christians. May we not shrink back. Abraham Lincoln said this to our Nation. We need to hear it again.

''It is rather for us to be here dedicated to the great task remaining before us, that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion, that we here highly resolve that these dead shall not have died in vain, that this Nation, under God, shall have a new birth of freedom.''

I thank Dr. Fredericks for permitting me to plagiarize his address.

CONDITIONAL ADJOURNMENT TO FRIDAY, OCTOBER 19, 2001

Mr. BARTLETT of Maryland. Mr. Speaker, I ask unanimous consent that when the House adjourns on the legislative day of today, it adjourn to meet at 10 a.m. on Friday, October 19, 2001, unless the House sooner receives a message from the Senate transmitting its adoption of House Concurrent Resolution 251, in which case the House shall stand adjourned pursuant to that concurrent resolution.

The SPEAKER pro tempore (Mr. SIMMONS). Is there objection to the request of the gentleman from Maryland?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BLAGOJEVICH) to revise and extend their remarks and include extraneous material:)

Ms. MCKINNEY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. SANCHEZ, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

ADJOURNMENT

Mr. BARTLETT of Maryland. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Accordingly, the House stands adjourned until 12:30 p.m. on Tuesday, October 23, 2001, for morning hour debates, pursuant to House Concurrent Resolution 251, or, under the previous order of the House, until 10 a.m. on Friday, October 19, 2001, if not sooner in receipt of a message from the Senate transmitting its concurrence in House Concurrent Resolution 251.

Thereupon, (at 3 o'clock and 52 minutes p.m.), the House stood adjourned until 12:30 p.m. on Tuesday, October 23, 2001, for morning hour debates, pursuant to House Concurrent Resolution 251, or under the previous order of the House, until 10 a.m. on Friday, October 19, 2001, if not sooner in receipt of a message from the Senate transmitting its concurrence in House Concurrent Resolution 251.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4346. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Designated Contract Markets in Security Futures Products: Notice-Designation Requirements, Continuing Obligations, Applications for Exemptive Orders, and Exempt Provisions (RIN: 3038–AB82) received October 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4347. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Notice of Statement of Commission Policy Regarding Temporary Relief From Certain Provisions of the Commission's Regulations—received October 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4348. A communication from the President of the United States, transmitting Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States; (H. Doc. No. 107—135); to the Committee on Appropriations and ordered to be printed.

4349. A letter from the Deputy Legal Counsel, Community Development Financial Institutions Fund, Department of the Treasury, transmitting the Department's final rule—Notice of Funds Availability (NOFA) Inviting Applications for the Community Development Financial Institutions Program—— Core and Intermediary Components—received September 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4350. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Albemarle and Indian Trail, North Carolina) [MM Docket No. 99–240; RM–9503] received October 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4351. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Suspension of TRICARE-Eligible's Enrollment in the Federal Employees Health Benefits (FEHB) Program (RIN: 3206–AJ36) received September 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4352. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Pretax Allotments for Health Insurance Premiums (RIN: 3206–AJ16) received September 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4353. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's ''Major'' final rule—Migratory Bird Hunting; Late Seasons and Bag and Possession Limits for Certain Migratory Game Birds (RIN: 1018–AH79) received October 11, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4354. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species; Atlantic Bluefin Tuna Fishery [I.D. 091201C] received October 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4355. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Fishery Management Plan for Tilefish [Docket No. 010319075–1217–02; I.D. 011101A] received October 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4356. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sharpchin and Northern Rockfish in the Aleutian Islands Subarea of the Bering Sea and Aleutian Islands Area [Docket No. 010112013–1013–01; I.D. 092801A] received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4357. A letter from the Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species; Longline Fisheries [Docket No. 010710169–1226–02; I.D. 060401B] (RIN: 0648–AP31) received October 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4358. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; End of the Primary Season and Resumption of Trip Limits for the Shore-based Fishery for Pacific Whiting [Docket No. 001226367–0367–01; I.D. 092401G] received October 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4359. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30268; Amdt. No. 2069] received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4360. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30267; Amdt. No. 2068] received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4361. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter Deutschland GmbH Model EC135 P1 and EC135 T1 Helicopters [Docket No. 2001–SW–19–AD; Amendment 39–12439; AD 2001–18–13] (RIN: 2120–AA64) received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4362. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace, Seneca Falls, NY [Airspace Docket No. 00–AEA–15] received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4363. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 Series Airplanes [Docket No. 2001–NM–119–AD; Amendment 39–12430; AD 2001–18–04] (RIN: 2120–AA64) received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4364. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767–200, -300, -300F and -400ER Series Airplanes [Docket No. 2001–NM–265–AD; Amendment 39–12438; AD 2001–18–12] (RIN: 2120–AA64) received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4365. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–301 Series Airplanes [Docket No. 2001–NM–39–AD; Amendment 39–12440; AD 2001–19–01] (RIN: 2120–AA64) received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4366. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 Series Airplanes; Final Rule [Docket No. 2001–NM–299–AD; Amendment 39–12451; AD 2001–17–09 R1] (RIN: 2120–AA64) received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4367. A letter from the General Counsel, Office of Management and Buget, transmitting the Office's ''Major'' final rule—Regulations For Air Carrier Guarantee Loan Program under Section 101(a)(1) of the Air Transportation Safety and System Stabilization Act—received October 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4368. A letter from the Acting Deputy General Counsel, Office of Financial Assistance, Small Business Administration, transmitting the Administration's final rule—Microloan Program (RIN: 3245–AE73) received October 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

4369. A letter from the Acting Deputy General Counsel, Office of Financial Assistance, Small Business Administration, transmitting the Administration's final rule—Business Loan Program and Office of Hearings and Appeals (RIN: 3245–AE51) received October 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

4370. A letter from the Regulations Coordinator, Administration for Children and Families, Department of Health and Human Services, transmitting the Department's ''Major'' final rule—Individual Development Accounts (RIN: 0970–AC08) received October 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4371. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Unified Partnership Audit Procedures [TD 8965] (RIN: 1545–AW86) received October 4, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 3004. A bill to combat the financing of terrorism and other financial crimes, and for other purposes; with an amendment (Rept. 107–250, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committees on the Judiciary and Ways and Means discharged from further consideration. H.R. 3004 referred to the Committee of the Whole House on the State of the Union.

Pursuant to clause 2 of rule XII the Committee on Rules discharged from further consideration. H.R. 3005 referred to the Committee on the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 3004. Referral to the Committees on the Judiciary and Ways and Means extended for a period ending not later than October 17, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

[Omitted from the Record of October 16, 2001]

By Mr. YOUNG of Alaska:

H.R. 3148. A bill to amend the Alaska Native Claims Settlement Act to provide equitable treatment of Alaska Native Vietnam Veterans, and for other purposes; to the Committee on Resources.

[Submitted October 17, 2001]

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KNOLLENBERG:

H.R. 3149. A bill to increase compliance with the registration requirement under the Military Selective Service Act by providing a temporary amnesty period during which persons who were required to present themselves for registration under such Act, but failed to do so in accordance with the time periods specified in Presidential Proclamation Number 4771, may present themselves for registration without fear of penalty; to the Committee on Armed Services.

By Mr. YOUNG of Alaska (for himself, Mr. MICA, Mr. PETRI, Mr. COBLE, Mr. DUNCAN, Mr. GILCHREST, Mr. HORN, Mr. EHLERS, Mr. BACHUS, Mr. LATOURETTE, Mr. BAKER, Mr. NEY, Mr. COOKSEY, Mr. THUNE, Mr. LOBIONDO, Mr. MORAN of Kansas, Mr. POMBO, Mr. DEMINT, Mr. ISAKSON, Mr. HAYES, Mr. SIMMONS, Mr. BROWN of South Carolina, Mr. JOHNSON of Illinois, Mr. OTTER, Mr. CULBERSON, Mr. SHUSTER, Mr. ROGERS of Michigan, Mr. BEREUTER, Mr. REHBERG, and Mrs. CAPITO):

H.R. 3150. A bill to improve aviation security, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on the Budget, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILMAN:

H.R. 3151. A bill to prohibit United States nationals, permanent resident aliens, or United States Government agencies from entering into agreements with foreign persons who prevent or inhibit a United States business from undertaking a commercial activity, or otherwise discriminate against the business, on the basis of the religious beliefs, practices or associations, sexual orientation, race, or gender of an individual associated with the United States business, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ACEVEDO-VILA:

H.R. 3152. A bill to direct the Secretary of the Army to reassess the allocation of Federal and non-Federal costs for construction of the Cerrillos Dam, Puerto Rico; to the Committee on Transportation and Infrastructure.

By Mr. BLAGOJEVICH:

H.R. 3153. A bill to assist States in preparing for, and responding to, biological or chemical terrorist attacks; to the Committee on Energy and Commerce.

By Mr. MALONEY of Connecticut (for himself, Mr. TAYLOR of Mississippi, Mr. REYES, Mr. CROWLEY, Mr. UNDERWOOD, Mr. LARSON of Connecticut, and Mrs. CHRISTENSEN):

H.R. 3154. A bill to require the Secretary of Defense to establish at least one Weapons of Mass Destruction Civil Support Team in each State and at least one such team under the direction of the National Guard Bureau; to the Committee on Armed Services.

By Ms. MCKINNEY (for herself, Mr. ACEVEDO-VILA, Ms. BALDWIN, Mr. MCDERMOTT, Mr. KUCINICH, and Ms. LEE):

H.R. 3155. A bill to require the suspension of the use, sale, development, production, testing, and export of depleted uranium munitions pending the outcome of certain studies of the health effects of such munitions, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on Energy and Commerce, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. REYNOLDS:

H.R. 3156. A bill to permit taxpayers to treat contributions made to retirement plans before 2002 as contributions made to such plans during 2002; to the Committee on Ways and Means.

By Mr. UNDERWOOD (for himself, Mr. ACEVEDO-VILA, Mrs. CHRISTENSEN, Mr. FALEOMAVAEGA, and Mr. RODRIGUEZ):

H.R. 3157. A bill to authorize the Secretary of Commerce to establish a Travel and Tourism Promotion Bureau; to the Committee on Energy and Commerce.

By Ms. WATERS:

H.R. 3158. A bill to amend title 18, United States Code, to ensure that acts of torture, as proscribed by the Torture Convention, are also recognized as criminal if committed in the United States; to the Committee on the Judiciary.

By Mr. WYNN:

H.R. 3159. A bill to amend the Internal Revenue Code of 1986 and the Office of Federal Procurement Policy Act to provide economic benefits to small businesses; to the Committee on Ways and Means, and in addition to the Committees on Government Reform, and Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ARMEY:

H. Con. Res. 251. Concurrent resolution providing for a conditional adjournment of the House of Representatives and conditional recess or adjournment of the Senate; considered and agreed to.

By Mr. FOSSELLA:

H. Res. 269. A resolution expressing the sense of the House of Representatives to honor the life and achievements of 19th Century Italian-American inventor Antonio Meucci, and his work in the invention of the telephone; to the Committee on Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 808: Mr. HULSHOF.

H.R. 877: Mr. VITTER.

H.R. 951: Mr. NORWOOD and Mr. MALONEY of Connecticut.

H.R. 959: Mrs. CAPPS.

H.R. 1243: Mr. FILNER.

H.R. 1509: Mr. TIERNEY.

H.R. 1556: Mr. GOODLATTE, Mr. BOSWELL, Ms. HOOLEY of Oregon, and Mr. WELDON of Pennsylvania.

H.R. 1657: Mr. SHOWS.

H.R. 1718: Mr. DINGELL, Mr. HOBSON, Mr. FORBES, and Mr. CRANE.

H.R. 1754: Mr. WALSH.

H.R. 1795: Mr. OWENS and Mr. FORBES.

H.R. 1919: Mrs. MORELLA, Mr. GILCHREST, and Mr. LUCAS of Oklahoma.

H.R. 2117: Mr. HOLT, Mr. KENNEDY of Rhode Island, and Mr. BRADY of Pennsylvania.

H.R. 2118: Mr. BRADY of Pennsylvania and Mr. BORSKI.

H.R. 2145: Mr. MCNULTY.

H.R. 2157: Mr. FLETCHER.

H.R. 2220: Mr. BORSKI.

H.R. 2316: Mr. REYNOLDS, Mr. CALLAHAN, Mr. HAYES, Mr. FOLEY, Mr. NUSSLE, and Mr. FLETCHER.

H.R. 2329: Mr. SNYDER.
H.R. 2349: Mr. OLVER.
H.R. 2357: Mr. SIMPSON and Mr. CHAMBLISS.
H.R. 2363: Mr. MASCARA.
H.R. 2380: Ms. LEE, Mr. WELLER, and Mr. JOHNSON of Illinois.
H.R. 2417: Mr. BARTON of Texas, Mrs. CAPPS, and Mr. BROWN of Ohio.
H.R. 2578: Mrs. CHRISTENSEN, Ms. KAPTUR, Mr. MCGOVERN, Mr. MCKEON, Mr. MCNULTY, Mr. POMBO, Mr. ROHRABACHER, and Mr. WYNN.
H.R. 2598: Ms. SLAUGHTER and Mr. BACA.
H.R. 2623: Ms. SOLIS.
H.R. 2624: Mr. MOORE.
H.R. 2740: Mr. KUCINICH, Mr. GRAHAM, Mr. DEAL of Georgia, Mr. FORBES, Mr. BONIOR, and Mr. STEARNS.
H.R. 2830: Ms. MCCOLLUM.
H.R. 2887: Mr. DOOLEY of California and Mr. MCGOVERN.
H.R. 2900: Mr. WU.
H.R. 2955: Ms. RIVERS and Mr. BALDACCI.
H.R. 2957: Ms. LOFGREN and Mr. BOHLERT.
H.R. 2998: Mr. BLUMENAUER.
H.R. 3007: Mrs. EMERSON, Mr. UNDERWOOD, Mr. GREENWOOD, and Mr. LOBIONDO.
H.R. 3046: Mr. HILLEARY, Mrs. MYRICK, and Mr. MILLER of Florida.
H.R. 3067: Mr. ROSS, Mr. SCHIFF, Mr. DOOLEY of California, Mr. ABERCROMBIE, Mr. KUCINICH, Mr. STACK, and Mr. DEFAZIO.
H.R. 3115: Mr. MCGOVERN, Mr. FROST, and Mr. KING.
H. Con. Res. 211: Mr. BLUMENAUER.
H. Con. Res. 243: Mr. CASTLE, Mr. OXLEY, Mr. PETRI, and Ms. RIVERS.
H. Con. Res. 250: Mr. LOBIONDO, Ms. MILLENDER-MCDONALD, Ms. KAPTUR, Mr. WAXMAN, Mr. SHIMKUS, Ms. MCKINNEY, Mr. JOHNSON of Illinois, Mr. WOLF, and Mr. UNDERWOOD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2023: Mr. SHOWS.