September 25, 2001

SEC. 2. 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 2001 (Public Law 106-79) is amended by inserting “plus $250,000,000” after “(2)”.

SEC. 3. C-5 AIRCRAFT MODERNIZATION

(a) INCREASE IN AIR FORCE RDT&E 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 re-engining 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.

Strike section 331 (page 58, beginning on line 19) and insert the following:

SEC. 331. WORKFORCE REVIEW LIMITATIONS.

(a) LIMITATION FINDING GAO REPORT.—No more than 5 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 Fiscal Year 2001 National Defense Authorization Act (as enacted by Public Law 106-79; 114 Stat. 1654-221), regarding policy 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 performed by Department of Defense civilian employees, means a review conducted 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 by the Secretary of Defense that Department of Defense security interests are so compelling as to preclude compliance with the requirement for a cost comparison examination.

(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.

Strike section 331 of title III (page 71, beginning on line 12), to redesignate the Department of Defense Service Contracting Reform Act of 2001.

At the end of subtitle F of title III (page 71, after line 11), insert the following new section:

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:


Hon. J. Dennis Hastert, Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representa-