HOUSE OF REPRESENTATIVES—*Monday, September 21, 1992*

The House met at 12 noon.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for the gifts of vigor and energy and all the blessings of health. We remember this day those colleagues and friends who are hospitalized or ill and we pray that they will be restored in health and receive new strength. Pour out upon them and upon each of us the comforting presence of Your spirit and nurture us along the way of life with assurance of Your word and the protection of Your power. These petitions, together with the requests of our own hearts, we place before You, O God, our strength and our redeemer. Amen.

THE JOURNAL

The SPEAKER. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Mississippi [Mr. MONTGOMERY] please come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY 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.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, DC,
September 21, 1992.

Hon. THOMAS S. FOLEY,
U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on Friday, September 18, 1992 at 7:47 p.m., that the Senate recedes from its amendments numbered 1 through 68 and agrees to the House amendment to Senate amendment numbered 69 to H.R. 5620.

With great respect, I am

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, U.S. House of Representatives.

TRIBUTE TO WILLIAM L. SPRINGER

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

Mr. MICHEL. Mr. Speaker, I'm sorry to report to the House that our dear friend and former colleague William L. Springer passed away this last weekend in his hometown of Champaign, IL.

Bill served in the House from 1951 to 1973, having served formerly as a judge in our circuit court system in Illinois.

Some of the oldtimers here in this body will certainly remember Bill's distinguished service as our ranking Republican on the Interstate and Foreign Commerce Committee. Bill had an exceptional rapport with Members on both sides of the aisle and when he was responsible for managing a bill in the field of commerce, transportation, health, or whatever, he always knew his subject matter well, to take on all comers during the debate. He was also a tough competitor on the paddleball court and in the annual and traditional Republican-Democratic baseball game.

Over and above all of Bill's outstanding professional attributes, he was indeed a man of sterling character and I considered him one of my closest friends in the Congress. Unfortunately, after Bill retired, he became a victim of Alzheimer's disease.

Bill is survived by his wife of 50 years, the former Elsie Mattis; three daughters, Katherine, Anne, and Georgia; a brother, James; and a sister, Marjorie; and six grandchildren.

I'm sure I speak not only for the Illinois delegation, but the entire House in expressing our profound sympathy to Elsie and the family, and I include in my extension of remarks the complete obituary appearing in this morning's Washington Post.

[From the Washington Post, Sept. 21, 1992]

WILLIAM L. SPRINGER, 83, DIES; CONGRESSMAN FROM ILLINOIS

William L. Springer, 83, an Illinois Republican who served in the House of Representatives from 1951 to 1973, died Sept. 20, at his home in Champaign, Ill. He had Alzheimer's disease.

Mr. Springer, a thoughtful and conservative former judge, rose to become the ranking Republican and a dominant figure on the Interstate and Foreign Commerce Committee. He also had served on the House District Committee, where he was ranking member before becoming ranking member on Commerce in 1965. He also had served as vice chairman of the House Republican Campaign Committee in the early 1970s.

He was the author of Public Law 480, the surplus agriculture trade and development act of 1954. He helped write legislation that extended the act and became known as "Food for Peace." This included laws that ordered the use of surplus American foodstuffs to feed hungry people overseas.

Over the years, Mr. Springer had been a delegate to numerous international gatherings, including the U.S.-Mexico Inter-parliamentary Conference and the U.S.-Britain Bilateral Parliamentary Conference of Oxford. He also participated in international gatherings in Europe dealing with trade, telecommunications and health.

After retiring from the House, he served on the Federal Power Commission from 1973 to 1975, then on the Federal Election Commission from 1976 to 1979.

Mr. Springer was born in Sullivan, Ind., and was a Navy veteran of World War II. He was a 1931 graduate of DePauw University and a 1935 graduate of the University of Illinois law school.

He entered into the private practice of law in Champaign in 1936. He served as state's attorney of Champaign County from 1940 to 1942 and was a county judge from 1946 until winning election to the House in 1950.

He represented what was then the 22nd House District of Illinois, a district in the central part of the Prairie State that included the huge university of Illinois, Chanute AFB in Rantoul and the town of Champaign and Decatur. But mostly it included rich agricultural land that produced bumper crops of corn and soybeans and fed hogs and cattle.

The district was largely Republican, and Mr. Springer always won by comfortable margins. He won his last race in 1970 with 59 percent of the vote. He did not run for reelection in 1972.

Survivors include his wife of 50 years, the former Elsie Mattis, of Champaign; three daughters, Katherine Springer of New York, Anne McKnight of Arlington and Georgia Springer of Raleigh, N.C.; a brother, James, of Danville, Ill.; a sister, Marjorie Hayes of Urbana, Ill.; and six grandchildren.

COMMUNITY PARTNERS MAKING A CHANGE

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

Mr. MAZZOLI. Mr. Speaker, I know of nothing which is ripping more viciously at the fabric of American society and with more grievous results than substance abuse, alcohol abuse, drug abuse. And I think it is fair to note that any successful efforts to curb such abuse in any hometown in any State will take the combined resources and a partnership activity on the part of all those who feel that substance abuse is seriously hurting America.

Therefore, I am very happy that this weekend in Louisville, on Friday and Saturday, we will have a 2-day seminar, jointly sponsored by the Aware

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Coalition, whose executive director is Michael Ford, and the Wellness Institute under the leadership of George Perkins, entitled "Community Partners Making a Change."

This two-day seminar is to train volunteers and to make them aware of the new techniques of fighting drug abuse and of treating it, if one cannot prevent it.

We are happy to have Gov. Robert Martinez, who heads up the Federal agency fighting drug abuse. I am sure that the volunteers will leave this 2-day meeting not only with a greater appreciation of where they fit into the substance abuse fight but certainly with a greater dedication to rid America of this horrible scourge.

WOMEN'S HEALTH RESEARCH, A GREAT TRAGEDY

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today the National Institutes of Health will be releasing the results of a conference on women's health, mandated by this body, that was held last year, last September, as a matter of fact.

And that conference says exactly what the Congresswomen have said, exactly what the GAO had said. And that is, when it comes to women's health, whether we start at infancy or whether we get to death and everywhere in between, it is a big dark hole.

We have not done the research we should be doing with Federal dollars on it, and it really is a great tragedy.

I say, Mr. President, here is your very own agency, the National Institutes of Health, agreeing with all of us who worked so hard on the women's health equity bill. We are so sorry you vetoed it, and we are going to be presenting it again. We hope you will now listen to your own agency and sign this bill, because it is absolutely outrageous that you take tax money from over half of America's people, women, and never do any health research and leave their health in such jeopardy, as one more time it is being documented.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, September 22, 1992.

SOVIET SCIENTISTS IMMIGRATION ACT OF 1992

Mr. MAZZOLI. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2201) to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States and the Baltic States as employment-based immigrants under the Immigration and Nationality Act, and for other purposes, as amended.

The Clerk read as follows:

S. 2201

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 "Soviet Scientists Immigration Act of 1992".

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) the term "Baltic states" means the sovereign nations of Latvia, Lithuania, and Estonia;

(2) the term "independent states of the former Soviet Union" means the sovereign nations of Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan; and

(3) the term "eligible independent states and Baltic scientists" means aliens—

(A) who are nationals of any of the independent states of the former Soviet Union or the Baltic states; and

(B) who are scientists or engineers who have expertise in nuclear, chemical, biological or other high technology fields or who are working on nuclear, chemical, biological or other high-technology defense projects, as defined by the Attorney General.

SEC. 3. WAIVER OF JOB OFFER REQUIREMENT.

The requirement in section 203(b)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(A)) that an alien's services in the sciences, arts, or business be sought by an employer in the United States shall not apply to any eligible independent states or Baltic scientist who is applying for admission to the United States for permanent residence in accordance with that section.

SEC. 4. CLASSIFICATION OF INDEPENDENT STATES SCIENTISTS AS HAVING EXCEPTIONAL ABILITY.

(a) IN GENERAL.—The Attorney General shall designate a class of eligible independent states and Baltic scientists, based on their level of expertise, as aliens who possess "exceptional ability in the sciences", for purposes of section 203(b)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(A)), whether or not such scientists possess advanced degrees.

(b) REGULATIONS.—The Attorney General shall prescribe regulations to carry out subsection (a).

(c) LIMITATION.—Not more than 750 eligible independent states and Baltic scientists (excluding spouses and children if accompanying or following to join) within the class designated under subsection (a) may be allotted visas under section 203(b)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(A)).

(d) TERMINATION.—The authority of subsection (a) shall terminate 4 years after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Kentucky [Mr. MAZZOLI] will be recognized for 20 minutes, and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. MAZZOLI].

GENERAL LEAVE

Mr. MAZZOLI. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the Senate bill presently under consideration.

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

There was no objection.

Mr. MAZZOLI. Mr. Speaker, I yield myself such time as I may consume.

At the outset, I would like to thank our chairman, the gentleman from Texas, Chairman BROOKS, for having scheduled the bill, both at the full committee and for putting it on the floor today, to thank my ranking member on the Subcommittee on International Law, Immigration, and Refugees, from which this bill came, the gentleman from Florida [Mr. MCCOLLUM], with whom I have worked very happily for many years, and to thank the gentleman from Florida [Mr. FASCELL], chairman of the House Committee on Foreign Affairs, who had joint referral of the bill and was very cooperative with the gentleman from Texas, Chairman BROOKS, on moving this bill rapidly forward.

Mr. Speaker, the dissolution of the Soviet Union and the collapse of the Soviet-led Warsaw Pact has produced many results, most of them are happy results. Certainly, the tone is optimistic about the future.

But, there have been some unexpected events, including the unemployment of thousands upon thousands of former Soviet, primarily Russian, nuclear scientists and technicians, formerly employed in the Soviet defense industries.

These unemployed scientists could, of course, be either a stabilizing or a destabilizing influence on not only the surviving states of what was the Soviet Union, the current Commonwealth of Independent States, but also, of course, upon Europe and the world.

Basically, it all depends on where these people go to earn a living and what they do to earn that living. That is where this bill comes in.

It serves, I think, in a harmonious way, to handle this rather happy problem that we have of talented and very industrious and trained technical and scientific people, who formerly had been working in the defense industries, and now want to do something with these talents. So the bill before us has as its objective to permit many of these Soviet nuclear scientists, Russian nuclear scientists, and others to enter the United States and to devote their considerable talents, heretofore devoted to producing weapons of war,

to producing weapons and techniques of peace.

S. 2201, the bill before the House today, not only facilitates the entry of some of the most creative and talented scientists in the world with, again, broad and happy implications on their ability to sharpen our, the United States', competitive edge for the next century, but that, of course, would also interrupt any tendency they would have, born of economic need, for example, to accept employment in nations of the world which are seeking to develop or to expand a nuclear weapons' capability.

□ 1210

I might say, Mr. Speaker, this is not really a theoretical concern. In Senate testimony delivered earlier this year by Robert Gates, who is the Director of the Central Intelligence Agency, he indicated that the Soviet brain drain is one of the highest concerns to the agency itself.

Eariler this year Russian President Boris Yeltsin himself expressed concern to President Bush that nuclear scientists in need of jobs, after all, they have families that they have to support, could find irresistible job offers coming from nations which are seeking to either develop nuclear capability or expand it.

To the end of channeling all of this talent into peaceful and healthful pursuits, Mr. Speaker, in March the United States, Russia, Japan, Canada, and the nations of the European Community announced jointly the establishment of the International Science and Technology Center which will serve as a focal point for efforts to provide employment for these former Soviet scientists around the world in pursuits other than developing nuclear weapons and weapons of mass destruction.

Mr. Speaker, as the House will recall, in 1990 we substantially increased from 54,000 to 140,000 the visas which are permitted to be granted to immigrants who wish to enter the United States to work because they have certain kinds of job skills needed here.

S. 2201 does not increase that 140,000 yearly ceiling in order to accommodate these former Soviet scientists, but it does amend the 1990 act slightly to accommodate their special needs.

Specifically, S. 2201, Mr. Speaker, waives a legal requirement, which is in the 1990 law now, but only waives it for a 4-year period, not permanently, and only for a total of 750 Soviet scientists. However, S. 2201 would waive the requirement that currently requires such skilled workers seeking entry into the United States to have a firm job offer from a U.S. employer which has secured a labor certificate for that particular worker.

Visa numbers under S. 2201 will be taken from the second preference employment category, which has 40,000 of the 120,000 employment-based numbers, and that 40,000 in the second preference is designated for persons of exceptional ability in the sciences, the arts, and business, the former Soviet scientists would fit into that category.

Again, Mr. Speaker, S. 2201 raises no quotas nor ceilings on foreign workers. It only opens the door slightly and somewhat facilitates for a limited period of time and for a limited number of former Soviet scientists their entry into the United States for the very laudable purpose of increasing our domestic economy, of providing a competitive edge for the United States as it enters the next century, and of course, not incidentally, of reducing the tendency toward proliferation of nuclear arms which could be developed by these selfsame people if they go to other countries.

Mr. Speaker, I urge the House to support passage of S. 2201.

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

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 2201. This legislation will make it substantially easier for up to 750 qualified scientists from the former Soviet Union to immigrate to the United States over a period of 4 years.

It accomplishes this end by directing the Attorney General to designate a class of scientists and engineers with expertise in the nuclear, chemical, biological, or other high technology, defense-related fields who will be treated as having exceptional ability in the sciences. Such a level of expertise is required in order to qualify for an immigrant visa under the employment-based, second preference visa category.

Another requirement for qualifying for a visa in the employment-based second preference is a job offer from an employer in the United States. S. 2201 waives this requirement.

S. 2201, as referred to the House, contained some provisions outside of the Judiciary Committee's jurisdiction. Those provisions have been stripped from the bill we are considering today.

This action was taken in order to move the bill quickly through the House; in no way does it alter the intent or effect of the bill.

This legislation is narrowly targeted to address a specific and highly unique situation. With the dissolution of the Soviet Union, many highly trained and qualified scientists are out of work or receiving very low pay. Some foreign governments have sought to entice them to their countries to develop or advance nuclear, chemical, or biological weapons industries.

This is not in the best interest of world stability and peace.

By providing some of these scientists with the alternative of immigrating to the United States, we hope to discourage the spread of weapons of mass destruction.

We can do this without cost to the American taxpayer and without displacing anyone who has been waiting to immigrate to the United States. The visa category under which these scientists would be admitted is current; in other words, it has no waiting list.

S. 2201 promotes a very desirable goal in a very reasonable manner. It is similar to a bill introduced in the House by Congressman BEREUTER and cosponsored by 19 of our colleagues from both sides of the aisle. I strongly urge its adoption by this Chamber.

Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER], the author of the legislation.

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support for S. 2201, legislation that facilitates the immigration of a limited number of scientists from the former Soviet Union who possess special skills and expertise.

I thank my distinguished colleague, the gentleman from California [Mr. MOORHEAD], for yielding me this time. I want to also recognize the distinguished junior Senator from Colorado [Mr. BROWN], who deserves special recognition for his leadership on this legislation.

The House leadership of both the Committee on the Judiciary and secondarily, the Committee on Foreign Affairs also deserves recognition for bringing this legislation to the floor today. The details of the legislation have just been ably described by the distinguished gentleman from Kentucky [Mr. MAZZOLI] and the distinguished gentleman from California [Mr. MOORHEAD]. As a member of the Committee on Foreign Affairs, this Member would emphasize that the collapse of the former Soviet Union and the end of the cold war have fundamentally changed our security considerations.

The United States and the former Soviet Republics are working together to destroy thousands of nuclear weapons. Nuclear-tipped missiles that were once pointed at every major city in the United States are now being warehoused while they await destruction. With the Freedom Support Act, which this body will consider in the next few days, we will be providing broad-ranging authority to help dismantle these weapons. Together, we are moving toward a positive new relationship that dramatically reduces the threat of nuclear, biological, or chemical holocaust.

Despite these positive developments, serious risks remain. The legislation that this body is considering today seeks to address one such threat.

For while the production lines have ceased and the former Soviet Republics are not adding to their arsenal of nu-

clear, chemical, and biological weapons, there are many highly trained Soviet scientists who have spent their careers designing and building these weapons. In the current chaos these scientists and engineers have been discarded by Moscow as an unnecessary and undesirable expense. These scientists, who had previously been the elite of Soviet society, are now unable to find work or even feed their families.

Mr. Speaker, Moscow may not be interested in these scientists, but there are rogue nations who are willing to pay handsomely for their skills. As reported in the press, the Yelstin government has uncovered evidence that Libyan agents have tried to enlist former Soviet nuclear scientists. Other Middle Eastern countries are reported to have made similar overtures. It is indeed ironic and troubling that, as the United States and the former Soviet Union rush to dismantle their nuclear arsenals, terrorist regimes are scrambling to acquire these weapons of mass destruction.

My colleagues, this is a very serious problem. If nothing is done, some of the most dangerous regimes in the world could leapfrog forward into the ranks of the nuclear powers. CIA Director Robert Gates has testified in open hearings that this is a troubling possibility that could seriously undermine national security.

S. 2201 seeks to address this problem. By permitting 750 former Soviet scientists to enter the United States, it provides these scientists with special skills an attractive alternative to working for Qadhafi or Saddam Hussein.

Mr. Speaker, this member felt so strongly about this matter that I introduced the House version of S. 2201. Other Members of the House have cosponsored my legislation. While this legislation is certainly not the total solution to this problem, it goes a long way toward alleviating this very dangerous threat to world peace. When combined with the Freedom Support Act, this body will have devised a comprehensive response to the threat of nuclear weapons proliferation emanating from the former Soviet Union.

Mr. Speaker, this Member urges adoption of S. 2201.

□ 1220

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MAZZOLI. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I want to commend the gentleman from Nebraska [Mr. BEREUTER], who is an outstanding Member of this body on many subject areas, and certainly on this one particularly. So we want to thank him for his work on this bill. And I want to thank my friend from California [Mr. MOORHEAD], who has helped me move the bill today. I urge support of S. 2201 and yield back the balance of my time.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Kentucky [Mr. MAZZOLI] that the House suspend the rules and pass the Senate bill, S. 2201, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The title of the Senate bill was amended so as to read: "An act to authorize the admission to the United States of certain scientists of the independent states of the former Soviet Union and the Baltic States as employment-based immigrants under the Immigration and Nationality Act.".

A motion to reconsider was laid on the table.

COMMISSION ON INFORMATION TECHNOLOGY AND PAPERWORK REDUCTION

Mr. MARTINEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5851) to establish the Commission on Information Technology and Paperwork Reduction, as amended.

The Clerk read as follows:

H.R. 5851

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

SECTION 1. FINDINGS AND PURPOSE.

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

(1) Federal information reporting requirements continue to place an unprecedented paperwork burden upon private citizens, recipients of Federal assistance, businesses, government contractors and grantees, and State and local governments.

(2) A renewed effort is required to assure that the policy stated in subsection (b) is fully implemented.

(3) It is necessary to reexamine the policies and procedures of the Federal Government which have an impact on the paperwork burden, for the purpose of ascertaining what changes are necessary and desirable in its information policies and practices so as to eliminate unnecessary paperwork burdens and ensure that the Federal Government collects and maintains all information needed to set policy, implement laws, and operate programs.

(b) PURPOSE.—It is the policy of the Federal Government to minimize the information reporting burden, consistent with agency missions and the needs for information to set policy, implement laws, and operate programs.

SEC. 2. ESTABLISHMENT.

To accomplish the purpose set forth in section 1(b), there is hereby established the Commission on Information Technology and Paperwork Reduction (hereinafter in this Act referred to as the "Commission").

SEC. 3. FUNCTIONS.

(a) REVIEW OF FORMER COMMISSION.—The Commission shall study and review the principal findings and recommendations of the Commission on Paperwork established by the Act of December 27, 1974 (Public Law 93-556) to determine which of those recommendations have been implemented and why any other of those recommendations have not been implemented.

(b) INVESTIGATE FEDERAL INFORMATION LAWS, ETC.—The Commission shall study and investigate statutes, policies, rules, regulations, procedures, and practices of the Federal Government relating to information gathering and processing, and the management and control of these information activities. The Commission shall consider—

(1) the nature and extent of current Federal collections of information from other public and private profit and not-for-profit entities;

(2) the effect of existing statutes on the information requirements of the Federal Government and authorities of existing Federal agencies to collect information on a timely basis;

(3) the nature and extent of management and control over the determination of Federal information needs and the choice of information gathering and processing methods;

(4) the nature and extent to which Federal agencies cooperate with State and local governments and private entities in collecting and processing information;

(5) the procedures used and the extent to which considerations of economy and efficiency impact Federal information activities, particularly as these matters relate to costs burdening the Federal Government and providers of information;

(6) the nature and extent of advances in information technology and its use in minimizing burden and maximizing utility in the collection, processing, and maintenance of information by the Government;

(7) the nature and extent to which information resources management responsibilities and the President's responsibility to review agency paperwork rulemaking should continue to be integrated in the Executive Office of the President;

(8) the nature and extent to which the Paperwork Reduction Act has been appropriately and effectively implemented by the Office of Management and Budget; and

(9) such other matters as the Commission determines affect Federal information resources management.

(c) ASCERTAIN CHANGES.—The Commission shall ascertain and describe what changes are possible and desirable in existing statutes, policies, rules, regulations, procedures, and practices relating to Federal information activities in order to—

(1) assure that necessary information is made available to Federal officials and those acting on behalf of Federal officials;

(2) minimize the burden imposed by Federal reporting requirements on private citizens, recipients of Federal assistance, businesses, government contractors and grantees, and State and local governments;

(3) provide that information held by the Federal Government is processed and maintained to maximize its usefulness to all Federal agencies and the public;

(4) reduce the duplication of information collected by the Federal Government and by State and local governments and other collectors of information; and

(5) reduce the costs of Federal paperwork.

(d) FINAL REPORT.—The Commission shall submit a final report to the Congress and the President within 2 years after the date of the first meeting of the Commission. The final report shall contain a review of its findings

and its recommendations for changes in statutes, policies, rules, regulations, procedures, and practices. The Commission may make such interim reports and recommendations as it deems advisable.

(e) ACTION BY OMB.—

(1) IN GENERAL.—Upon submission of the Commission's final report, the Director of the Office of Management and Budget, in coordination with the executive agencies, shall take action to—

(A) formulate the views of the executive agencies on the recommendations of the Commission;

(B) to the extent practicable within the limits of their authority and resources, carry out recommendations of the Commission in which the executive agencies concur; and

(C) propose legislation needed to carry out or to provide authority to carry out other recommendations of the Commission in which the executive agencies concur.

(2) REPORTS.—At least once every 6 months, the Director of the Office of Management and Budget shall report to the Congress and the President on the status of action taken or to be taken as provided in this subsection. The Director shall submit a final report to the Congress and the President not later than 1 year following the submission of the Commission's final report under subsection (d).

SEC. 4. MEMBERSHIP.

The Commission shall be composed of 19 members, as follows:

(1) 2 Members of the Senate, who shall not be members of the same political party, appointed by the President of the Senate.

(2) 2 Members of the House of Representatives, who shall not be members of the same political party, appointed by the Speaker of the House of Representatives.

(3) The Comptroller General of the United States.

(4) The Director of the Office of Management and Budget, the Secretary of the Treasury, and 1 other official or employee of the executive branch of the Federal Government appointed by the President of the United States.

(5) 2 members appointed by the President from among officials of State and local governments, who shall not be members of the same political party.

(6) 9 members appointed by the President from among persons in the private sector representing small business, labor, health care, education, environment, Federal Government procurement, information technology, libraries and public interest consumer organizations, no more than 5 of whom shall be of the same political party.

SEC. 5. COMPENSATION.

(a) IN GENERAL.—Except as provided in subsection (b), members of the Commission shall each receive as compensation the daily equivalent of the annual rate of basic pay in effect for level 4 of the Executive Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(b) FEDERAL OFFICIALS.—Members of the Commission who are Members of Congress or who are full-time officers or employees of the United States shall receive no additional compensation for their service on the Commission.

(c) TRAVEL EXPENSE.—While away from their homes or regular places of business in the performance of service for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as a person employed intermittently in the Government service is allowed such expenses under section 5703 of title 5, United States Code.

SEC. 6. POWERS.

(a) MEETINGS.—The Commission, or at its direction, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit and act at such times and places, take such testimony, receive such evidence and administer such oaths, as the Commission or such subcommittee or member may consider advisable. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member.

(b) PERSONNEL.—Members of the Commission shall elect a Chairman and Vice-Chairman from among its members. The Commission shall appoint an Executive Director who shall receive as compensation the equivalent of the basic pay in effect for Level 5 of the Executive Schedule. The Commission may appoint and fix the compensation of such other personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, at a rate not to exceed the rates provided in section 5376 of title 5, United States Code. In addition, the Commission may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in section 5376 of title 5, United States Code.

(c) CONTRACTS FOR STUDIES AND REPORTS.—The Commission may, subject to the availability of appropriations, negotiate and enter into contracts with private organizations and educational institutions to carry out such studies and prepare such reports as the Commission determines are necessary in order to carry out its duties.

SEC. 7. COOPERATION WITH FEDERAL AGENCIES.

(a) FURNISHING INFORMATION.—Each department, agency, and instrumentality of the Federal Government shall furnish to the Commission, upon request made by the Chairman, such data, reports, and other nonconfidential information not otherwise prohibited by law as the Commission considers necessary to carry out its functions under this Act.

(b) SERVICES.—The head of each department or agency of the Federal Government may, upon request made by the Chairman or Vice Chairman of the Commission, provide to the Commission such services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman or Vice Chairman of the Commission.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act $8,000,000.

SEC. 9. TERMINATION.

The Commission shall cease to exist 120 days after the submission of its final report under section 3.

SEC. 10. EFFECTIVE DATE.

This Act shall take effect January 21, 1993.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MARTINEZ] will be recognized for 20 minutes, and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is with great pleasure that I join with my colleague, the distinguished gentleman from New York, in putting this legislation establishing a Commission on Information Technology and Paperwork Reduction before this body. The gentleman from New York has a long and distinguished career in the House, and in his capacity on the Committee on Government Operations he has worked tirelessly to see to it that the Government impose as little paperwork burden as necessary on taxpayers, small business, Government contractors, and State and local governments.

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

Mr. HORTON. Mr. Speaker, I yield myself 7 minutes. I take this opportunity to rise in support of H.R. 5851, and also would like to express my appreciation to the gentleman from California [Mr. MARTINEZ] for his very kind remarks.

Mr. Speaker, one of the highlights of my career in the House of Representatives was the 2 years I spent as Chairman of the Federal Commission on Paperwork. Created in 1974 in response to public complaints about regulatory paperwork burdens, that Commission issued 36 reports and 770 recommendations—saving an estimated $20 billion—to eliminate the much burdensome paperwork regulations imposed on all Americans and businesses. The Commission's final report was submitted on schedule in 1977 and $1 million under budget.

The need for a Paperwork Reduction Commission in the 1970's was great. The total cost of Federal paperwork was huge. By 1974, the cost of this paperwork was estimated to exceed $100 billion a year, much of it was necessary, some of it unnecessary. In any case, the cost of this regulatory burden was ultimately imposed on consumers through higher prices and higher taxes, lower productivity and fewer jobs.

There were also psychological costs—the anxiety, frustration, and anger that people experience when dealing with excessive paperwork and redtape.

The Commission also found that needed information sometimes was not being collected, was not reliable, or was not timely. All of which unnecessarily limits the success of Federal programs. In some instances, useless paperwork actually prevents programs from achieving their goals.

The major thrust of the Commission's findings was that Government policymakers should take into account all costs of paperwork, including citi-

zen frustration and administrative inefficiencies, as well as the substantial dollar cost. Information, we argued, should be managed as a resource, as we now manage money, personnel, and property.

I am proud to suggest that the work of that Commission resulted in permanent Government reforms. The Office of Information and Regulatory Affairs at the Office of Management and Budget was created to provide a check on the Federal Government's appetite to impose paperwork burdens. The work of the Commission also resulted in the enactment of the Paperwork Reduction Act and the elimination of countless forms at the Internal Revenue Service and the Department of Defense.

While the Paperwork Commission slowed the growth of Federal regulatory paperwork, such burdens did not, unfortunately, come to a stop. Federal paperwork burdens still consume an inordinate amount of time from the lives of average Americans and small businesses.

A report issued by the General Accounting Office in June 1989 reported that the Federal paperwork burden rose from 1.477 billion hours for fiscal year 1980 to 1.881 billion hours for fiscal year 1987, an increase of 27 percent. The reported burden went as low as 1.275 billion hours in fiscal year 1982 but reached a peak of 2.023 billion hours in fiscal year 1983. It declined for several years after that but has never fallen to its pre-1982 level. No reliable data is available for recent years. It becomes obvious that the Nation's employers are spending a stunning amount of money to meet paperwork requirements.

For that reason, my good friend and Government Operations Committee Chairman JOHN CONYERS, Jr., and I introduced legislation to create another paperwork Commission. This Commission, however, goes one step further by recognizing and promoting the use of advancements made in the area of information technology. It shall, therefore, be called the Commission on Information Technology and Paperwork Reduction. I believe that the need for such a Commission today is as great as it was in the 1970's.

The bill before the House today would establish a temporary Commission of experts to study Federal paperwork generated by various reporting requirements. It would be a mixed Commission of 19 members from Government and the private sector. The Government Commissioners would be drawn from Federal and State bodies. The Federal Government representatives would include membership of the House, the Senate, and the executive branch.

The Commission membership would be bipartisan, would elect its Chairman and Vice Chairman, and would hire an Executive Director and other necessary staff. Three members of the Commission are specified in the statute. They include the Comptroller General of the United States, the Director of the Office of Management and Budget, and the Secretary of the Treasury.

Recognizing that the issues involved in Federal paperwork involve great detail and broad policies, the bill calls for a high-level study effort to determine what changes in Federal policy and procedures will be required to minimize Federal paperwork consistent with the Government's need for information to set policy and operate its lawful programs. The Commission would have a broad mandate to study and investigate "statutes, policies, rules, regulations, procedures, and practices of the Federal Government relating to information gathering and processing, and the management and control of these information activities." Its findings and recommendations must be reported to Congress and the President. The Commission would have 2 years following its first meeting to submit its report and would terminate 120 days thereafter.

Finding that "Federal information reporting requirements continue to place an unprecedented paperwork burden on private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments" and reaffirming a policy to minimize the reporting burden, the bill requires the Commission to consider several general areas for its investigation. The functions of the Commission are to study and investigate and not in any way to regulate or modify existing policies or statutory requirements.

In fulfilling its mandate, the Commission shall consider, inter alia, the nature and extent of advances in information technology and its use in minimizing burden and maximizing utility in the collection of information by the Government, and to which information resources management responsibilities and the President's responsibility to review agency paperwork rulemaking should continue to be integrated in the Executive Office of the President.

The Commission is given a broad mandate to look into all aspects of Federal information activities and all issues which impact upon Federal information activities. Its recommendations are to include both policy and organization changes aimed at bringing about immediate and continuing improvements. Not only the quantity of information is subject to study, but the quality of that information as well. The Congress, the President, and the agencies would then, of course, be free to accept, modify, or reject the recommendations of the Commission.

The broad mandate for the Commission study is not limited to the specified subject for consideration. The Commission's function is to make a comprehensive study and meaningful recommendations to the Congress and the President for both administrative and legislative remedies to the great and growing paperwork burden.

The bill provides for the appropriation of such sums as may be necessary, but not more than the modest sum of $8 million. Compare that to the estimated savings of $20 billion resulting from the work of the 1970's Paperwork Reduction Commission.

I urge all of my colleagues to support this legislation for several reasons. First, the regulatory burden on Americans and small businesses is great. As I have already indicated, it has been estimated that American businesses must spend nearly $1 trillion to comply with Federal paperwork requirements. It is never too late for the Federal Government to step back and look at the regulatory and paperwork burdens being imposed upon its citizens.

I remember one newspaper article, shortly after Hurricane Andrew hit southern Florida, which suggested that one of the reasons why the hurricane victims were slow in receiving much needed Government benefits was due to the paperwork requirements associated with the disaster relief programs. What a perfect example of harmful Government regulatory paperwork burdens. This Commission shall look at these paperwork burdens and overlapping regulations, and make recommendations to the President and Congress where unnecessary burdens can be eliminated.

Second, this Commission shall look at the recommendations of the 1970's Commission, determine what recommendations have not been implemented, and why, and endorse those recommendations which are still credible.

Most importantly, this new Commission shall look at the information technology developments which have occurred during the past two decades and determine whether the Federal Government is taking advantage of the newest technology available to collect, interpret, analyze, retrieve, and store information.

The Office of Management and Budget recently reported that the Federal Government will invest some $25.4 billion on information technology in fiscal year 1993—an increase of over $2.2 billion from fiscal year 1992. The question is not, however, how much are we spending. It seems to me to be more important to ask what we are spending our money on. This Commission represents the first governmentwide, nonpartisan look at technology investment by the Federal Government.

As we all know, the advancements made in the information technology arena have been great during the past 20 years. The Commission's chief task will be to investigate ways that today's electronic technology can be used to

reduce the amount of paperwork produced or required by Government agencies. Today, the public is using technology that was not even thought of in the 1970's—from electronic funds transfer to electronically filed tax returns. These technics save paperwork and should be encouraged.

Finally, it is also my hope that this Commission will take a hard look at the ongoing debate over Presidential regulatory review. Although the President has a constitutional obligation to ensure that the Federal Government is effectively managed, critics of Presidential regulatory review have argued that the President has used such organizations as the Council on Competitiveness to undercut legislative intent when drafting regulations.

The forum for this debate, however, should not be the politically charged floor of the House during this election year. Let a Commission, appointed by Congress and the next President, debate the appropriate role for regulatory review in our constitutional system.

As the former Chairman of the Commission on Federal Paperwork, I strongly believe that the time to revisit the issue of regulatory paperwork burdens is today. I encourage all Members to lend their support to this effort.

NATIONAL ASSOCIATION OF STATE AUDITORS, COMPTROLLERS AND TREASURERS,
Lexington, KY, September 21, 1992.

Hon. FRANK HORTON,
Ranking Minority Member, Government Operations Committee, Washington, DC.

DEAR REPRESENTATIVE HORTON: As chairman of the National Association of State Auditors, Comptrollers and Treasures' Committee on Intergovernmental Affairs, I am writing to commend you for introducing H.R. 5851, "Commission on Information Technology and Paperwork Reduction." NASACT's Intergovernmental Committee strongly supports your bill, and I have enclosed some member's letters for your files.

NASACT members understand the need to decrease the paperwork requirements of the federal government because they, like businesses and individuals, must cope with the burdens of federal redtape. A commission to examine and weed out unnecessary paperwork would go a long way toward improving federal government operations.

Further, our members have experienced firsthand the benefits governments can obtain through modernization and technological innovation. By making the fullest use possible of 1990s technology, as your bill requires, we believe the federal government would become more effective and efficient.

We strongly support your efforts in this area and stand ready to assist you in seeking passage of H.R. 5851. Please feel free to contact me at (302) 739-4241 or Julie Weinberg of the NASACT staff at (202) 624-5451 if we can be of assistance.

Sincerely,

R. THOMAS WAGNER, Jr.,
Chairman, Intergovernmental Committee, and Auditor, State of Delaware.

COALITION FOR GOVERNMENT PROCUREMENT,
Washington, DC, August 25, 1992.

Hon. FRANK HORTON,
Ranking Minority Member, House Government Operations Committee, Washington, DC.

DEAR CONGRESSMAN HORTON: The Coalition for Government Procurement strongly supports H.R. 5851 creating a "Commission on Information Technology and Paperwork Reduction". We appreciate the leadership that you and Congressman John Conyers have taken on this important issue.

The Coalition represents nearly 200 companies that sell commercial goods and services to the federal government. For these contractors alone, the paperwork they must submit in the normal course of conducting federal government business adds a tremendous administrative and time consumption burden not associated with doing business in the commercial marketplace. Companies must submit literally thousands of pages of information each year just to have and maintain a government contract. For some contractors this expense is undertaken without any guarantee of government business.

Dollar estimates of the cost of government paperwork on all American businesses run as high as $1 trillion. This burden poses a significant obstacle to the competitiveness of American businesses which must compete at home and in the global marketplace. While the Coalition recognizes that the government must ensure that businesses are in compliance with existing federal regulations, it is important to note that many of these regulations are themselves being reviewed to assess the need for them and the affect they have on both the corporate community and the individual. A comprehensive review commission on paperwork, such as the model set forth in H.R. 5851, would be an important component to the regulatory review process in addition to serving as an independent body to review duplicative and outdated government reporting requirements.

The first Federal Commission on Paperwork in the 1970's found many unnecessary paperwork and data collection requirements and made hundreds of recommendations on how the government could reduce paperwork, eliminate red tape, increase competitiveness, and create jobs. The recommendations that were adopted by federal government agencies eliminated unnecessary reporting requirements and actually helped improve data collection and its use in monitoring compliance with federal regulations.

The paperwork and data collection requirements of today, however, are similar to the situation which existed in the early 1970's. In order to comply with the myriad of government regulations, companies must expend scarce time and personnel resources that could otherwise be spent on research and development of new products and markets. The Coalition believes that it is not in the best interest of anyone to hamper businesses with hefty government reporting burdens at a time when companies are facing strong international competition and a weak domestic economy.

The affect of extensive government paperwork requirements is especially acute on small businesses. Often, employees of small companies have several different duties which they must perform in order for their business to thrive. Saddling them with duplicative or unnecessary reporting requirements unfairly harms their chances to succeed or even survive.

The Coalition strongly supports provisions of H.R. 5851 which would require a paperwork reduction committee to consider the positive affect breakthroughs in information technology could have on streamlining reporting requirements and reducing the time it takes to comply with federal reporting regulations. Automated information technology has made a quantum leap since the first commission was created in the 1970's. The commission called for in H.R. 5851 should undertake a thorough examination of existing and possible future technologies and study their applicability to helping improve the federal paperwork problem.

The Coalition for Government Procurement believes that the passage of H.R. 5851 will start a process which will lead to streamlined government regulations and an enhancement in the competitiveness of all American businesses both domestically and abroad. Again, we thank you for your leadership on this issue and look forward to working with you and Chairman Conyers toward its enactment.

Sincerely,

PAUL J. CAGGIANO,
President.

□ 1230

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

Mr. MARTINEZ. Mr. Speaker, I yield such time as she may consume to my colleague, the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding me this time, and the gentleman from New York, I thank both of them for their hard work on this bill.

Mr. Speaker, I, like the gentleman from New York, remember the very long work and all the hard work that he did on the Paperwork Commission, and I remember at that time all of us talking about how trying to deal with this issue was like trying to wrestle with a 2-ton marshmallow. We wrestled, and now it seems like the marshmallow has become 4 tons. So it is an ever bigger job. It is very, very important that we get on with this. So I think it is important and critical that we do it.

Let me just make several points that I made before on this, that absolutely drives me nuts. No. 1, the Federal Government ought to have one form for every means-tested program. In this area where dollars are so precious, my State tells me that will give them 30-percent more money for services without raising one more penny in revenue.

Now, with computers and everthing else, there is no reason that cannot be done.

We also ought to move for one form for CHAMPUS, Medicare, Medicaid, and all Federal insurance. That would take the 20- to 30-percent additional we pay in health care for administrative costs, and even it out, and as you both pointed out very well in your statements, that is also very critical for small business, because I think a lot of the forms and a lot of the things that they are required to do in dealing with the Federal Government have kept small business from being very active

in the contracting part. So there is so much paperwork reform that could be done, and I just hope that the Commission gets on with it and we use the computers and software and everything that the rest of the world is using.

I also think it would help us in fraud and enforcement and making these programs and Government much more efficient. So the time has come to join the 20th century, and the software and things that America gave to the world and forgot to use for its Government.

So I thank you all for working so hard on this.

Mr. HORTON. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like to take this occasion to thank the gentlewoman from Colorado for her remarks.

As a matter of fact, I would hope that, assuming this bill passes the House and Senate and is signed into law, that perhaps she might be able to give the time to serve on the Commission, because I think her advice and suggestions would be very helpful on the Commission. Having worked with her on the Committee on Post Office and Civil Service, as a matter of fact, to get through some very important legislation with regard to whistleblowers, I know of her expertise and willingness to assist in matters such as this.

I certainly agree with her that the areas that she spoke about are very important areas that should be covered by the new Paperwork Commission.

With that, I would like to express my appreciation to her and then urge that our colleagues again support the bill.

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman for his statement. It is once again time, 15 years after the first Paperwork Commission, that we have an outside body take an objective look at the unnecessary burdens being placed on individuals, businesses, and governments by paperwork and decide how best to reduce those unnecessary burdens.

All of us have stories and anecdotes from constituents who are red in the face because of Government paperwork. There is the senior citizen trying to get health benefits who can't even read the Medicare form to get reimbursements. Or the homeowner who went through Hurricane Andrew only to find out he faced an even greater whirlwind of paperwork from the FEMA forms asking him if he does or doesn't need relief. Or the small defense contractors who has decided to no longer compete for DOD contracts because of the paperwork burden.

We also want to ensure that this Commission does not throw out the baby with the bathwater. It is understandable that people want as little paperwork hassle as possible. But we need to remember the major benefits of Government paperwork. We would not be able to collect taxes without paperwork. We could not keep track of whether companies doing business with the Government are ripping us off or not without paperwork. Paperwork is also a necessity to determine whether companies are complying with environmental regulations or workplace safety requirements. These are matters critical to protecting the public's health and safety—they are necessary paperwork burdens.

Finally, given the dramatic changes in information technology over the last 15 years, this Commission will examine how to use new technology to lessen Government paperwork. We need to replace paper with electronic submissions, wherever possible. Smart technology must be applied to the delivery of Government services. For instance, I have no doubt we can reduce the amount of time it takes to reimburse beneficiaries under the Social Security and veterans programs. We must be able to reduce health care paperwork by standardizing forms for health care reimbursement—thereby saving tens of billions of dollars.

There is money to be saved, time to be saved, and high blood pressure to be saved by taking a systematic look at what we are doing and applying new technology to lessen the paperwork burden.

Mr. Speaker, for all of these reasons, I urge the House to promptly pass this necessary legislation.

Mr. HORTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MARTINEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from California [Mr. MARTINEZ] that the House suspend the rules and pass the bill, H.R. 5851, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5851, the bill just passed.

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

There was no objection.

VACATION OF SPECIAL ORDERS

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the special orders previously granted to the gentleman from Ohio [Mr. WYLIE] and the gentleman from Ohio [Mr. MILLER] for Tuesday, September 22, be vacated.

The SPEAKER pro tempore (Mrs. SCHROEDER). Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1240

OIL SALES TO IRAQ AND MORE DETAILS ON MATRIX-CHURCHILL CORP.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Madam Speaker, the FBI raid on the Atlanta office of the BNL, the Banco Nazionale del Lavoro, the Italian Government-owned bank agency in Atlanta.

Now, that sounds like jargon, but actually it means a lot. There is a lot of difference in an agency. An agency is chartered by a State, in this case the State of Georgia Banking Commission. Therein is part of the problem because you have these foreign banking entities, most of whom are owned by their respective governments, and they are operating in the United States under State charters where the banking commissions of the States are just absolutely not able or set up to properly supervise.

Then you have the Federal Reserve Bank that is supposed to be the national overseer, and it is not.

So what the United States has, as I have said repeatedly, and the reason that motivates me and has since beginning 3 years ago, as a matter of fact, in this case, and in the awesome exposure of the national well-being and safety and soundness of our banking system.

Now, that raid by the FBI on August 4, 1989, led to the unraveling not only of one of the biggest banking scandals of all time, it also laid bare that the United States was carrying on a strange, secretive, clandestine relationship with Iraq, which was at that time and still is today one of the most notorious governments in the world. It was Iraq, after all, that had used chemical weapons not just against its Iranian enemies but against its own Kurdish minority.

But let me say here it ill behooves the West to try to single out Iraq and Saddam Hussein. They were the first ones to use poison gas in that area and against what the RAF or the British, in asking Winston Churchill's permission to use poison gas against what they called rebellious or recalcitrant Arabs, it was in Iraq, what we call Iraq in the 1920's, 1921–23.

So, when we start trying to get goodie-goodie about poison gas, remember it was our great Western culture in World War I that used that hor-

rible weapon, poison gas, to the destruction of many human lives on both sides of the contending forces.

Since then, even in the Iraq-Iran War it was charged that not only Iraq but Iran made use of that. Lord only knows. The only thing I do know is that we were aware and so were our intelligence, so-called, experts aware.

The Government of Iraq was and still is notorious for its abuse of human rights, its support of terrorism, its soaring military ambitions, and its aim to become the dominant military power in the Middle East. And that is based on a more complicated and complex line of events, which is not my interest to go into. That is over in another area of committee responsibility.

Madam Speaker, I have maintained and I have subscribed and I have adhered to one single-minded purpose, and that is the determination to eventually provide for the United States through the legislation that must be forthcoming from the Banking Committee, which I have the great honor to chair, the proper defense or protection against a continuation of these malpractices that are still going on in far vaster activities than even BNL or the so-called BCCI scandal.

Despite all this, the United States allowed Iraq to become the biggest customer of the Commodity Credit Corporation, a guaranteed program. Guaranteed by whom? The taxpayers, of course. That was financed largely through loans made by the BNL Atlanta office. Not only that, Iraq operated an extensive secret military procurement network in this country and in Europe which was also financed through the BNL Atlanta, not through CCC guarantees but through commercial loans.

This is the conclusion that the administration at first tried to use mostly through the person of the then Deputy Secretary of State Eagleburger, now the acting Secretary of State. The U.S. Government knew about the secret procurement network, and it made a decision, and that decision was to tolerate it, even after the BNL office was raided in 1989.

Consider this: The BNL Atlanta office was raided on August 4, 1989. The raid revealed that BNL was funding Matrix-Churchill Ltd. and Matrix-Churchill Corp., known Iraqi procurement fronts.

The raid also revealed that Iraq was funding several other firms, including TDG, TEG, and Euromac, that the CIA linked to Iraq's clandestine military procurement network.

Our intelligence knew all of this, and I have placed in the RECORD over the last 2 years, beginning with the hearing we first held in 1990, clear documentation showing that the intelligence facilities of our country had tried to protest. Our military intelligence in the Pentagon, that branch that is in charge of defending the improper procurement of military-sensitive hardware, made it known.

The Secretary of State was advised, the President was advised, and I brought this out in the last 2 years.

So I am just repeating what is already in the RECORD. Yet, just a few months later, after warning its allies in Europe to be alert to Iraqi efforts to buy glass fiber technology, the United States Government—that is, this administration and the immediate past one—approved a Matrix-Churchill export license for the sale of the complex fiber factory to Iraq's largest armaments producer.

In fact, the Bush administration continued to approve the sale of military-useful technology to Iraq even when that technology was known to be destined for Iraqi arms factories. This policy was in place right up until Iraq invaded Kuwait.

□ 1250

On the basis and predicate of all this, banking resources, banking facilities, just like everything from military procurement to drug money laundering, all filters through this banking system.

The problem is that we are the only industrialized country that has no protective mechanism, no defense regulatory system. That is almost impossible to believe. I guess that is why my colleagues sometimes over the past 2 years have kind of shrugged me off. Some have said I am a Don Quixote. Well, my answer to that is I would rather be Don Quixote than Sancho Panza.

After the BNL raid, a declassified November 21, 1989, State Department memorandum on exports licensing states:

> U.S. policy, as confirmed in National Security Directive 26, has been to improve relations with Iraq, including trade * * * although U.S. policy precludes approval of Munitions Control licenses for Iraq, exports of dual use commodities for conventional military use may be approved.

The memo goes on to say that the Bush administration's export licensing policy made it easy for Iraq to obtain military useful technologies from the United States. The memo states licenses were approved despite clear warning signs:

> 1. A presumption by the Intelligence Community and others that the Iraqi government is interested in acquiring a nuclear explosives capability;
>
> 2. Evidence that Iraq is acquiring nuclear-related equipment and materials without regard for immediate need;
>
> 3. The fact that state enterprises * * * are involved in both military and civilian projects;
>
> 4. Indications of at least some use of fronts for nuclear-related procurement; and
>
> 5. The difficulty in successfully demarching other suppliers not to approve exports of dual-use equipment to state enterprises and other ostensibly non-nuclear end users.

There are other State Department memos—for my disturbed colleagues on the minority side—recently declassified, that show the administration was fully aware its policy helped to arm Saddam Hussein. A spring 1990 memo states:

> An initial review of 73 cases in which licenses were granted * * * from 1986-1989 shows that licenses were granted for equipment with dual or not clearly stated uses for export to probably proliferation-related end-users in Iraq.

Yet another 1990 State Department memo shows that the Bush administration knew that their export licensing policy toward Iraq was actually working to enhance Iraq's military capability. The spring 1990 memo, which addresses the urgent need to change the export licensing policy toward Iraq, states:

> Formulating such a policy will be complicated because end-users which engage in legitimate non-nuclear and non-missile related end-users also procure commodities on behalf of Iraq's nuclear and missile programs. Because the Iraqi government network serves both nuclear and missile programs, one cannot distinguish between purchasers of nuclear concern and those of missile concern.

The secret United States policy to enhance Iraq's military capability was perfected by the administration's refusal to verify the end use of United States technology that arrived in Iraq—so-called post-installation checks. In fact, out of 771 export licenses approved for Iraq, only once did the United States Government check to ensure that the equipment was actually being used for civilian purposes.

In short, the policy was to let Iraq have United States equipment that could easily be used by or diverted to military applications, with a simple request that Saddam Hussein refrain from doing so. This happened even though the United States knew Saddam Hussein was making every effort to develop chemical and nuclear weapons as well as other advanced weapons.

Why did the Bush administration take such a dangerous and shortsighted approach to appeasing Saddam Hussein?

Even now, why? The administration has said:

> Oh, well, we admit we made a mistake then. In retrospect it looks bad.

But even then—you mean it looked good then?

Today I will offer for the RECORD a startling—and my dear Republican friends should take note—declassified document, that sheds light on why the White House and State Department were willing to permit Iraq's nefarious procurement activities.

The President has repeatedly claimed that his policy toward Saddam Hussein was "* * * to encourage Saddam Hussein to join the family of nations." And he has publicly denounced those who suggest that the policy gave Iraq ac-

cess to "bombs or something of that nature."

But the truth, alas, is very different. The overriding and obvious motivation for engaging Saddam Hussein was access to cheap oil. In return, Iraq received the green light to purchase sophisticated United States military technology. National Security Directive-26 clearly states the Bush administration's motivation:

> Access to Persian Gulf oil and the security of key friendly states in the area are vital to U.S. national security.

As a quid pro quo for access to Iraqi oil, the Bush administration made a commitment to facilitate the sale of U.S. goods and services to Iraq. Again, National Security Directive-26 states:

> We should pursue, and seek to facilitate, opportunities for U.S. firms to participate in the reconstruction of Iraq's economy, particularly in the energy area * * *.

The problem was that Iraq was never satisfied with obtaining just civilian goods and services—Iraq's highest priority was ever increasing access to United States military technology.

During both the Reagan and Bush administrations, Iraq often pressed for greater access to United States technology and the State Department and White House supported such requests. For example, a 1987 memorandum related to then Vice President George Bush's meeting with Iraqi Ambassador Nizar Hamdoon states:

> Commerce licenses for some high-tech U.S. exports to Iraq have been held up * * *. From the Iraqi perspective the long delays appear to be capricious. We (the State Department) agree with that assessment.

In 1988 the Commerce Department was compelled to approve licenses for Iraq despite Iraqi use of chemical weapons against its own people. An affidavit signed by the former head of the Commerce Department's Bureau of Export Administration states:

> In the summer of 1988 a number of licenses were pending with regard to technology transfer to Iraq. I asked for official guidance with regard to what licensing policy would be to Iraq since by that time there was credible evidence of use of poison gas by the Iraqis * * *. I was told by the National Security Council that * * * I should clear the licenses that were pending for Iraq.

Those licenses and many others in later years were cleared over the objections of the Department of Defense and others in the administration that were concerned about proliferation. By the end of the Reagan administration Iraq clearly was a major proliferation threat. Instead of cutting back on military expenditures and rebuilding its civilian economy at the end of its bloody war with Iran, Iraq undertook what the CIA called, an ambitious military industrialization program designed to make it the preeminent military power in the Middle East.

This massive military industrialization program sent a clear warning sign to the administration, but such concerns were overridden mainly because of Iraq's approach to the United States. Iraq used a carrot and stick approach to secure access to United States technology and credit. In return for continued access to technology and credit, Iraq granted United States oil companies favorable deals on purchases of Iraqi oil. The United States bought the bait and purchases of Iraqi oil skyrocketed during the Bush administration.

□ 1300

A recently declassified State Department memorandum to Secretary Baker, dated March 23, 1989, sheds light on that policy tradeoff. The memo was crafted to provide background information for the Secretary's meeting with the Iraqi Ambassador Nizar Hamdoon. The memo states:

> Iraq would also like freer export licensing procedures for high tech.

The memorandum also states:

> As part of its approach to the United States, Iraq has in the last year given favorable deals to U.S. oil companies; oil exports to the U.S. have soared to around 500,000 barrels per day.

Giving favorable oil deals to U.S. firms furthered Iraq's ultimate strategy of increasing its importance to the United States. The success of this plan, as measured by oil sales, is illustrated in a recently declassified CIA report dated April 1990 which states:

> The U.S. purchase of Iraqi oil have jumped from about 80,000 barrels per day in 1985–1987 to 675,000 b/d so far in 1990—about 24 percent of Baghdad's total oil exports and eight percent of new U.S. oil imports.

By the time Iraq invaded Kuwait, United States purchases of Iraqi oil had grown to over 1.1 million barrels per day. The largest single purchaser was Exxon, but there were many others. Even the Department of Energy got into the act. The Department purchased over 3.4 million barrels of Iraqi oil only months before the gulf war.

Obviously, Iraq's approach of providing United States oil companies with favorable deals was well received in the Bush administration. During the same period that United States purchases of Iraqi oil skyrocketed, the Bush administration approved nearly 200 export licenses for Iraq. As I have shown in previous reports, many of those licenses were approved despite ample evidence showing the United States equipment was destined for known Iraqi weapons complexes.

The Bush administration clearly made the proverbial "deal with the devil," and, "Ah, there's the rub," I say to all my Republican friends that were trying to muzzle me, according to the papers last Friday. I say to them, "I'm not revealing anything of any kind of consequence to the national security. I think I can tell the difference. But what you all ought to worry about is how the Devil has infiltrated the CIA."

I long contended the Devil must have had a lot of his moles ensconced in those secret recesses over at Langley, and so I would ask, "What is the Devil?" The Prince of Darkness. Error. The Devil equals error. The Devil connotes mistakes and misunderstandings. It suggests the darkness of ignorance, the lapse of intelligence. It is intelligence gone wrong. And that Devil, he is a bad one.

So, Mr. Speaker, I suggest to my colleagues, "Don't try to exorcise me. Get your bell, book and candle, and troop all of you over to Langley, and exorcise the Devil out of that CIA."

The Bush administration, as I said, approved the sale of United States technology for Iraq, and, in return, United States oil companies received a discount when purchasing Iraqi oil.

Maybe this was natural. The President himself is an oil man and so are his closest advisers who were responsible for setting and implementing the United States policy toward Iraq. Secretary of State James Baker and Commerce Secretary Robert Mosbacher understand the oil business, and they understood the significance of the deal Iraq offered. Our main goal was access to cheap oil; Hussein wanted cash, credit, and military technology. Oil made it all possible, and remember, my colleagues, I placed in the RECORD the Executive order where President Bush about this time exonerated; that is, took out of the coverage of the conflict of interest proviso, to exempt 11 of his Cabinet and top adviser level. That means all these oil companies. So, he exempted them from any kind of conflict of interest, and I reported that several reports ago.

As part of its policy of appeasing Saddam Hussein, the United States Government turned a blind eye to many of the procurement activities of Iraq. In fact, the CIA had information showing that Matrix-Churchill Corp. in Cleveland, OH, was part of Iraq's military technology procurement network, yet Matrix-Churchill was allowed to gather United States technology for Iraq until 2 months after the invasion of Kuwait. I will now provide more background on the operations of Matrix-Churchill.

In previous reports I have indicated that BNL was one of the major sources of funds for Iraq's military industrialization program. Iraq's Ministry of Industry and Military Industrialization [MIMI], which was headed by Saddam Hussein's son-in-law, Hussein Kamil, eventually utilized over $2 billion in BNL loans for its ambitious military industrialization effort.

Where do we come in here? I will tell my colleagues where. The taxpayers had to make up for that one with the 10 U.S. banks that BNL had used to sort to syndicate its exposure, and they have already been paid back, at least a billion. And where do my colleagues

think that money came from? Iraq? Of course not. BNL? Of course not.

BNL funds were used to procure equipment for weapons projects including the clandestine nuclear weapons program, missile projects including the short-range Ababel rocket, the Scud B modification project, and the long-range Condor II ballistic missile, Gerald Bull's supergun, and 155 mm and 210 mm self-propelled howitzers and other Iraqi weapons programs.

In order to procure sophisticated Western equipment, often clandestinely, MIMI created a complex web of worldwide procurement networks. Network front companies were often staffed with Iraqi intelligence agents who reported directly to Hussein Kamil and other MIMI officials.

The BNL-funded network operating in Europe and the United States was called the Al-Arabi Trading Co. network. Al Arabi was headquartered in Baghdad and appears to have been under the control of Iraq's main weapons complex, the Nassr State Enterprise for Mechanical Industries [NASSR]. NASSR was the key producer of Iraqi missiles and was heavily involved in clandestine nuclear and chemical weapons programs and some aerial bombs.

In 1987, Al-Arabi set up its main procurement front in London, a holding company called Technology Development Group or TDG. In 1987, TDG set up a firm called TMG Engineering [TMG] which was the vehicle used to purchase the venerable British machine tool maker Matrix-Churchill Ltd. and its Cleveland, OH, affiliate Matrix-Churchill Corp.

□ 1310

Mr. Speaker, Gus Matrix-Churchill Ltd. [MCL] was the United Kingdom's premier toolmaker and a major supplier of machine tools to arsenals around the world. It has been in existence since 1923 and its two plants in the United Kingdom employed over 700 people. Matrix-Churchill Corp. is the U.S. sales and service affiliate of MCL and it was established in Cleveland, OH, in 1967.

Matrix-Churchill machines are well known in the machine tool industry and in the armaments industry. Matrix-Churchill literature details its military significance:

> Churchill is a major supplier of machines for munitions production in the United Kingdom and one of the leading suppliers worldwide with some 275 munitions installations.

Matrix-Churchill machines are in the arsenals of countries such as the United States, United Kingdom, Israel, Mexico, Pakistan, Taiwan, the Soviet Union, China, Argentina, Austria, Norway, India, Belgium, Netherlands, Australia, Egypt, Italy, and South Africa, among others. Matrix machines are used to make artillery shells, the body for artillery fuses, armor-piercing ammunition and more. Matrix-Churchill records show that in 1988, over half of the machine tool deliveries were for munitions applications—the majority of them destined for Iraq.

Matrix-Churchill had contracts to provide machines for Iraq's armaments industry even before it was sold to the Iraqi front company TDG. Matrix had a contract called the ABC contract to supply machines to an Iraqi munitions factory called the Hutteen General Establishment [Hutteen]. These machines were used to produce 155 mm, and 122 mm, artillery shells.

A second contract, called the ABA contract, was to supply machines to be used in the production of a short-range rocket called the Ababel rocket which was manufactured at the Nassr State Enterprise for Mechanical Industries [NASSR]. Matrix-Churchill machines were also used in an artillery fuse factory at NASSR constructed by Carlos Cardoen. We will come back to Mr. Cardoen of Brazil later on.

The United Kingdom Government knew about the Iraq-related activities of Matrix-Churchill. The British Department of Trade and Industry [DTI] approved the deals. The director general of Hutteen even had a picture of himself and the British military attaché hanging in his office. That picture was taken during the British military attaché's tour of Hutteen.

Likewise, the Bush administration approved licenses for exports of U.S. equipment to Hutteen and other Iraqi weapons complexes even though intelligence reports verified they were armaments plants. Approval of these licenses helped enhance Iraq's military capability, contrary to the President's claim that the United States did not help arm Iraq.

Matrix-Churchill machines are currently used in the machine shops of the U.S. Army's Rock Island Arsenal in Illinois, and the Army's Anniston Depot locations in Avon, KY, and Bynum, AL. Matrix-Churchill machines are also used to produce 155 mm artillery shells for Canada's military through a firm called Ingersol in Quebec, Canada. A Mexican firm Metalmaq S.A.—Sociedad Anonimo, anonymously chartered—uses Matrix-Churchill machines to produce cartridges for 90 mm and 75 mm guns.

Matrix-Churchill machines are also sold to the U.S. nuclear energy industry. A firm called VITCO Nuclear in Cleveland makes nuts and bolts for valves and pumps that are used in U.S. nuclear powerplants. All of this made Matrix-Churchill an attractive company to purchase.

One of the first moves Iraq made when it took over MCC was to abandon its sales and service operations in favor of setting up a procurement and project management division to procure technology for Iraqi arms complexes like NASSR and Hutteen. The procurement division received inquiries from Iraqi entities interested in purchasing United States equipment and services. The department identified sources of equipment and services, and then inspected, evaluated, and selected United States equipment for export to Iraq. Sometimes Matrix-Churchill would purchase the equipment directly from the United States firm and then ship it to Iraq. However, the Iraqi end-user usually purchased the goods directly from the United States firm. In these cases Matrix-Churchill demanded and often received a kickback from the United States firm of between 5 and 10 percent of the total value of the contract. These kickbacks were intended to cover the cost of operating the procurement department.

The procurement division of Matrix-Churchill, which was established in 1987, was headed by Sam Naman, who was most likely an Iraqi intelligence operative. During the 1980's, Sam Naman worked in the United Kingdom for the known Iraqi intelligence operative Safa Al Habobi, the front man who helped set up and operate the Al Arabi procurement network. Al Habobi was the owner of record of Matrix-Churchill Corp., and several other Iraqi front companies, in the United States.

The Iraqis also set up a project management division within Matrix-Churchill in 1988. The project management division was established to manage the activities of United States companies that won contracts to work in Iraq. The BNL-financed glass fiber factory at NASSR was the project management division's biggest project.

The director of the project management division, Abdul Qaddumi was not hired by the U.S. head of Matrix-Churchill. Instead, Qaddumi was hired at the direction of Safa Al Habobi. While Mr. Naman and Mr. Qaddumi had supposedly never met before working for Matrix-Churchill, on one occasion an American employee of MCC once overheard them talking about the previous project they had worked on together prior to arriving at Matrix-Churchill.

Apparently Sam and Abdul had previously worked together, contrary to what they told the American employees working at Matrix-Churchill. The Iraqis working at Matrix-Churchill often talked about sensitive topics in Arabic rather than English. In addition, much of the correspondence related to sensitive matters such as discussions with Safa Al Habobi about money were written in Arabic to conceal the contents from the Americans working at MCC.

Apparently Matrix-Churchill's owners had secrets to keep. In a July 10, 1989, memo Dr. Safa Al Habobi instructed employees of Matrix-Churchill to retain certain expense reports in Baghdad because they indicated that

the Baghdad branch of Matrix-Churchill was paying various expenses of Iraqi military establishments. The memo states:

There is some doubt here about the bills being presented in full (to Matrix-Churchill) as they are from Military companies that we feel, if they are translated by your accountants, cause you a few problems.

Obviously, Mr. Al Habobi was concerned about letting U.S. accountants see that Matrix-Churchill was paying the expenses of Iraqi military establishments.

In an eerie moment in July 1990, a month before the Iraqi invasion of Kuwait, Sam Naman asked several MCC employees how the United States might react if Iraq invaded Kuwait. Several days after Iraq invaded Kuwait, one of the American employees of MCC confronted Sam about his prescient prediction. Sam just shrugged.

Mysteriously, the Bush administration waited for 6 weeks after the invasion of Kuwait to shut down Matrix-Churchill.

□ 1320

Sam Naman was interviewed for a couple of hours by Customs agents and released. He was allowed to leave the country shortly thereafter and was never again questioned by U.S. law enforcement officials. When the Iraqi owners decided to abandon Matrix-Churchill Corp.'s domestic business in favor of procurement and project management for Iraqi projects, there was a need to secure new sources of revenue. On the procurement side, the source of funds was kickbacks was paid by United States firms that won multimillion dollar contracts for various projects in Iraq. Under this scheme a United States firm that won a contract in Iraq was required to pay MCC a kickback of between 5 and 10 percent of the contracts value.

Firms paying this type of kickback include Servaas, Inc., Indianapolis, IN, PRO-ECO Ltd., Ontario, Canada, and XYZ Options, Holt, AL.

Other firms that signed consulting agreements or finders fees arrangements with Al Arabi Trading Co., TDG, or Matrix-Churchill include Centrifugal Casting, Tulsa, OK; AFG Technologies, Bloomfield, MI; Arbonite, Doyletown, PA; Glass, Inc., International, Chino, CA; West Homestead Machinery, Homestead, PA; D&H Machinery, Toledo, OH; National Machinery, Tiffin, OH; Pacific Roller Die, Hayward, CA.

These firms may not have actually paid Matrix-Churchill because they were ultimately unsuccessful in bidding on contracts with Iraqi entities. But by signing consulting or fee agreements, these firms indicated that they were willing to make the payments if they won contracts.

Sam Naman's activities were not limited to the machine tool business. On one occasion, he tried to trade Iraqi oil for a steel mill in Texas. An American oil company, Coastal Petroleum, was approached in 1988 to purchase $50 million in Iraqi oil from Sam Naman. The proceeds were to be used to purchase the United States Steel's Baytown Works in Texas and ship the entire facility to Iraq. The deal fell through after congressional leaders and local union leaders opposed the sale because of the loss of jobs.

Matrix-Churchill's project management division received a $14 million BNL loan to purchase the technology and equipment for the glass fiber factory for shipment to NASSR. The project management division also received a $600,000 loan from BNL to meet its operating expenses. BNL loan's kept the operation afloat.

Sam Naman was apparently not a stranger to officials at the State Department. Travel records show that he visited the State Department in September 1989. The records indicate that Sam Naman visited the State Department on September 11 and 12, 1989, just weeks after the raid on BNL's operations in Atlanta—a curious coincidence indeed.

The military uses of Matrix-Churchill machines are the prime reason Iraq was interested in purchasing the company. Acquiring Matrix-Churchill gave Iraq access, not only to the machine tools, but also the computer programming, tooling, and other components needed to make a wide variety of munitions as well as other applications in aerospace and nuclear industries. The purchase could be construed as one big intelligence gathering operation for Iraq. I have long been concerned that the United States does not have the proper regulatory mechanisms in place to ensure a proper review of foreign acquisitions of sensitive U.S. industrial firms and U.S. banks.

Banks, I know, we do not. We have been trying to work at it, but instead of being helped, we have been obstructed. We have been impeded, all because of a fear of loss of face; for mistakes, they claim.

As I have shown, control of the Matrix-Churchill Corp. would provide a foreign government with information regarding hundreds of munitions facilities and dozens of munitions, aerospace, and nuclear applications.

How many exist today? Not Iraq, but other countries. It would be nice to know, would it not? Because once these investors buy into the company, say they get 30 percent of the stock, they have access to blueprints and everything else, as in the case of Matrix-Churchill. Once they get those blueprints, we have the evidence showing that they would ship them through the diplomatic pouch, which is not subject to inspection, and shipped back to Baghdad.

It is important that any change in control of such companies is brought to the attention of U.S. officials so that national security concerns can be considered prior to any transfer of sensitive U.S. technology.

Now, one would say, as I have thought, I thought that was in place since the wars. Well, like the banking, I have discovered to my great aggravation and concern, it is not true. It is not in place.

In the case of the Iraqi purchase of Matrix-Churchill Corp., in November 1987, the United States did not review the transaction for national security purposes.

And here they are, trying to accuse me of exposing national security. Of all the most outlandish and most ridiculous, empty threats.

That fact is reflected in an August 24, 1992, Treasury Department response to my inquiry of July 15, 1992. I will place these letters in the RECORD.

The so-called Exon-Florio provisions were implemented in July 1989, but it remains to be seen how effective those regulations are in stopping the unwanted change in control of important U.S. firms. Nations that want to clandestinely develop weapons of mass destruction are continually developing more and more sophisticated procurement networks like the Al Arabi network. These efforts make it more difficult to tell if a foreign firm has gained illegal control of the U.S. form.

What is the Justice Department interested in? Is it interested in the legality of these procurements or illegality? No. They are interested in making sure that they give their blessings to these huge mergers and concentrations of banking resources, corporate resources. It has sanctioned the leveraged buyouts that have cost this country perhaps its whole economic future.

Even so, United States intelligence reports dating as far back as the summer of 1989, indicate our Government knew that Matrix-Churchill was an Iraqi front company engaged in procuring technology for Iraq's clandestine nuclear and missile programs. However, the Bush administration appeasement of Saddam Hussein apparently overrode any objections to these operations.

In short, these are the facts: First, the administration wanted to help Iraq; second, Iraq had cheap oil to offer and the United States was eager to buy—as shown by the amazing 50-percent growth in Iraqi oil sales to the United States in the 2 years before the gulf war; third, the Bush administration was so eager to please Saddam Hussein that it deliberately tolerated Iraq's military procurement activities in the United States; fourth, companies like Matrix-Churchill were used by Iraq to provide everything from steel mills to nuclear weapons useful technology—right up to the day the gulf war started; and fifth, even after the BNL raid made it impossible to hide

Iraq's procurement activities in this country, the Bush administration did nothing to stop Iraq. They even showed support by having the Department of Energy purchase Iraqi oil just a few months before our Government went to war against Iraq. Favorable oil deals made it all possible.

Mr. Speaker, I include for the RECORD the correspondence to which I referred:

MARCH 23, 1989.

To: The Secretary.
From: NEA—Paul J. Hare, Acting.
Subject: Meeting with Iraqi Under Secretary Nizar Hamdun March 24, 1989 at 2:00 PM in your office.

I. PURPOSE

To express our interest in broadening U.S.-Iraq ties, stressing the importance we place on chemical weapons and on settling claims for Iraq's attack on the USS Stark.

II. KEY POINTS

Hamdun is a unique channel to Iraq's President Saddam Hussein, and points you make will be heard at the highest levels in Iraq. Hamdun will stress Iraq's importance, and call for closer relations unaffected by what he considers "outside irritations": chemical weapons, etc. Iraq fears we will improve relations with Iran at Iraq's expense.

Bilateral relations are thorny but important. Iraq is the strongest state in a region vital to our interests, with a powerful army and oil reserves second only to the Saudis.

We reestablished relations in 1984 after a break in 1967. We cooperated closely in trying to end the Gulf War through UN Security Council Resolution 598.

During the war, Iraw drew closer to our friends among the Arab moderates, getting financial support from Saudi Arabia and Kuwait. Iraq has now concluded a formal economic alliance with Egypt, Jordan, and North Yemen in the Arab Cooperation Council.

Since we took Iraq off the terrorism list in 1983, Iraq has broken with Abu Nidal and expelled Colonel Hawari, although it still allows entry to Abu Abbas (who directed the Achille Lauro hijacking) and member of Col. Hawari's group.

But Iraq retains its heavy-handed approach to foreign affairs—it has received a border dispute with Kuwait and its meddling in Lebanon—and is working hard at chemical and biological weapons and new missiles.

May 17 will mark the second anniversary of the Iraqi attack on the USS Stark. At the time, Iraq's President accepted responsibility and promised compensation.

Mike Armacost presented the first set of claims, for wrongful death of 37 sailors, on April 4, 1988 (totalling about $34 million). The Iraqi MFA's Legal Adviser went over the claims in detail here in July, 1988, but has made no substantive response since then.

Judge Sofaer is in Baghdad, at Iraq's invitation, to discuss the claims further. He met with Hamdun before leaving and said we will soon present personal injury claims (about $1.5 million) and USG claims of $93 million (mostly damage to the Stark), but emphasized we have no room for negotiation on the death claims.

Sofaer called from Baghdad to report that an initial session March 22 went very well, and he hopes he can resolve the issue during this trip.

With this information in hand, Bob Kimmitt saw Hamdun March 22, and stressed it is important to settle these sensitive claims to remove a stumbling block from the relationship.

Following CW use in the war with Iran, Iraq used CW as part of a campaign to suppress a Kurdish rebellion last August.

We condemned unlawful CW use, and Congress began considering sanctions legislation.

Responding to our diplomatic approach and the threat of sanctions, Iraq stated adherence to international law on CW, participated constructively in the Paris Conference, and began to participate in the Conference on Disarmament talks in Geneva.

Sanctions legislation fell by the wayside last term in the rush to adjourn, despite overwhelming support. Bills introduced this session would apply tough trade sanctions for future unlawful CW use and punish companies contributing to certain CW programs, Iraq's among them.

Iraq has asked us to push Congress to delete all references to Iraq in the bills. We have explained that it is unrealistic to expect Congress to do so.

The ceasefire begun with Iran last August 20 is still holding, but UN-sponsored peace talks have produced few results. Working-level talks continue in New York, and there will probably be a ministerial meeting in mid-April.

Iraq wants to claim full sovereignty over the Shatt al-Arab waterway; Iran refuses to allow reopening the Shatt until Iraq gives up its claims, and is holding 70,000 Iraqi POWs until Iraq withdraws to its borders.

Commercial relations are good, but further growth is constrained by Iraq's debt crunch. Iraq is now our number two trading partner in the Arab world, but a commercial agreement we signed in 1987 remains unimplemented.

Iraq imports over $1 billion per year in U.S. agricultural products, financed with USDA CCC credit insurance.

But industrial trade lags. Iraq would like Exim to grant medium-term coverage in addition to its small short-term facility.

Iraq would also like freer export licensing procedure for high tech. (Applications are often held up in commerce or DoD, usually on grounds that dual-use technology could add to Iraq's military capabilities.)

The powerful Minister of Industry (Saddam's son-in-law) wanted to buy a closed USX steel plant in Baytown, TX. USX froze the deal when Congress took up union objections.

As part of its approach to the U.S., Iraq has in the last year given favorable deals to U.S. oil companies; oil exports to the U.S. have soared to around 500,000 barrels per day.

III. PARTICIPANTS

U.S.: The Secretary, Policy Planning Staff, Director Dennis Ross. NEA DAS A. Peter Burleigh. S/P Staffer Aaron Miller. NEA Notetaker.

Iraq: Under Secretary Nizar Hamdun, Ambassador Abdul-Amir Al-Anbari, Khalid Mohammad, First Secretary (Notetaker).

IV. PRESS COVERAGE

Photo Op.

POINTS TO MAKE

BILATERAL RELATIONS

We are pleased that we have broadened bilateral relations with Iraq since we resumed them in 1984, and we want to continue to develop ties.

As the President said in his message to President Saddam Hussein, we attach great importance to our relations with Iraq.

II. STARK CLAIMS

But it is critical for our bilateral relations to settle the claims arising from Iraq's attack on the USS Stark as soon as possible.

Overcoming this obstacle will give our relationship new strength in the postwar period.

I hope we will be able to settle the first set of claims, for the deaths of our 37 sailors, during Judge Sofaer's trip to Iraq.

III. CHEMICAL WEAPONS

We welcome Iraq's participation in the Conference on Disarmament in Geneva.

As a country that has used chemical weapons in the recent past, Iraq's reputation in the world will be well served by constructive participation in efforts to ban these weapons.

As you know, Iraq's past use of chemical weapons is a very sensitive topic in the U.S. Administration and Congress.

IV. PEACE TALKS

Although we do not get involved in details of the peace negotiations, we are interested in a comprehensive, lasting settlement that will promote stability and reduce tensions in the region.

What is your assessment of progress made to date, and prospects for the next round of ministerial talks?

TERRORISM

We are disturbed by the continued presence in Iraq of Abu Abbas, who masterminded the murder of a U.S. citizen in cold blood. We also understand Colonel Hawari—head of Fatah's Special Operations section—still travels to Baghdad.

We ask again that you deny Abu Abbas and Colonel Hawari access to your country. The fact that Abu Abbas is a member of the PLO Executive Committee damages the Palestinian cause.

VI. TRADE (IF RAISED)

We are committed to expansion of trade and U.S. exports around the world.

We believe reconstruction and development projects in Iraq will present significant opportunities for U.S. exporters.

IMPORTS FROM IRAQ

[In thousands of barrels]

Company	Commodity	1988	1989	1990
Amoco Corp	Crude oil	2,434	500	8,716
Ashland Oil, Inc	do	10,124	11,687	7,372
Astroline Corp	Distillate fuel	0	0	188
Atlantic petro Corp	Crude oil	0	2,776	0
Atlantic Richfield Co	do	5,568	0	0
Bayoil USA	do	0	450	5,061
BP Amer., Inc	do	0	273	0
Chevron Corp	do	8,580	6,920	20,471
Citgo Petro Corp	do	0	461	0
Clark Oil Tradg Co	do	2,018	0	0
Coastal Corp The	do	12,490	16,720	17,252
Exxon Corp	do	14,234	46,379	35,913
Exxon Corp	Unfinished oils	0	2,380	1,326
Fina Oil & Chem Co	Crude oil	9,351	14,571	21,074
Horsham Corp	do	0	0	499
Kerr-McGee Corp	Unfinished oils	123	150	106
Koch Indus., Inc	Crude oil	522	4,378	6,334
Lyondeli Petrochem Co	do	0	3,998	16,328
Mobil Oil Corp	do	1,647	6,288	8,458
National Coop Refy Assn.	do	424	2,328	0
Phibro Distbs Corp	do	1,005	5,975	0
Phillips Petro Co	do	1,051	390	670
Shell Oil Co	do	11,945	22,218	21,539
Solomon, Inc	do	0	0	4,022
Sun Co., Inc	do	0	2,269	2,874
Texaco, Inc	do	34,594	0	0
Unocal Corp	do	0	0	644
US Department of Energy.	do	0	0	3,403
US Steel Corp	do	9,528	12,436	6,855
Valero Energy Corp	Unfinished oils	807	475	0
Total	do	126,445	164,022	189,105

Source: U.S. Department of Energy.

THE WHITE HOUSE,
Washington, DC, August 8, 1990.

MEMORANDUM FOR THE ATTORNEY GENERAL

From: The President.

Subject: Conflict-of-Interest Waiver.

I am writing to notify you of a conflict-of interest determination I have reached under 18 U.S.C. 208(b)(1) in connection with the current Middle East crisis.

As you know, vital United States and world interests are at stake in the Middle East as a result of the Iraqi invasion of Kuwait. As Commander in Chief and the Nation's Chief Executive, I am confronting decisions of immense import with lasting consequences for the nation and the world. The United States, along with other world powers, has strongly condemned the Iraqi invasion, and we have instituted a range of measures, including a freeze on Iraqi and Kuwaiti assets in this country among other economic sanctions.

We now face a series of decisions, large and small, about policies and military measures required to defend United States interests and counter this act of blatant aggression. I expect that these decisions will be among the most difficult that I ever face as President. As I confront the demanding choices ahead, it is essential that I be able to call freely upon my advisors for counsel and assistance.

I am aware that under Federal conflict-of-interest law (18 U.S.C. 208), an Executive branch employee cannot participate personally and substantially in a particular matter, in which, to the employee's knowledge, he has or is deemed to have a financial interest. I understand that the Department of Justice has historically interpreted this statute to mean that an individual cannot personally and substantially participate in a particular matter if the resolution of the matter would have a direct and predictable effect on such financial interests. An individual's appointing official is authorized to waive this prohibition based upon a determination that the individual's financial interests are "not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect" from the employee.

It is not clear which, if any, of the decisions ahead would constitute "particular matters" that would have a "direct and predictable effect" on the financial interests of advisors on whom I will need to rely. Based on the consultations between our staffs over the past week, I have been advised that most of the high-level decisions and actions ahead will be at a level of generality so broad as not to implicate Federal conflict-of-interest law.

Nonetheless, in the interest of caution and prudence, I believe that under current circumstances, Cabinet members and other key foreign policy advisors should not be needlessly restricted in assisting me in shaping the United States response to the Iraqi offensive or be left in doubt about when they can and cannot assist me. I have therefore directed my Counsel, C. Boyden Gray, to review the financial interests of those of my foreign policy advisors for whom I have not delegated the waiver authority vested in me under 18 U.S.C. 208(b). In particular, I have had him conduct a special review of the financial interests held by—

The Assistant to the President for National Security;

The Assistant to the President and Deputy for National Security;

The Attorney General;

The Chief of Staff to the President;

The Director of Central Intelligence;

The Secretary of Commerce;

The Secretary of Defense;

The Secretary of Energy;

The Secretary of State; and

The Secretary of Treasury.

I have also had the Department of Justice review the financial interests of the Counsel to the President.

I have now been briefed on the financial interests of these individuals. Some of the individuals in question hold only interests such as mutual funds that under no foreseeable circumstances could be construed to implicate any prohibition under conflict-of-interest law. In other instances, individuals have quite substantial financial interests in industries that may be affected (though not necessarily in a "direct" or "predictable" way) by the resolution of situations that may arise.

In light of current world events and the significance of our response to the nation's security, it is my judgment that none of these individuals' financial interests are "so substantial as to be deemed likely to affect the integrity of the services which the Government may expect" from him in all aspects of the current effort to develop and implement a United States and international response to Iraq's occupation of Kuwait. I have been counseled that the Department of Justice, in interpreting conflict-of-interest waiver authority, has said that the appointing official should consider the size of the financial interest(s) and the nature of the services the individual is called upon to provide.

In my judgment, the nature of the current crisis and the gravity of the measures under consideration by the United States are such that even vast financial interests could not be deemed likely to affect the integrity of the services the Government may expect from its chief foreign policy officers. Maintaining the highest standards of integrity in the Government has been a paramount priority for me throughout the Administration. In my view, national security considerations at stake in the current situation are so great as to diminish to insignificance the likelihood that individual employees could be swayed by their private interests.

On this basis, I hereby determine that the financial interests held by the individuals indicated above are not so substantial as to be deemed likely to affect the integrity of the services that the Government may expect from them in the course of current United States policy-making, discussion, decisions, and actions, in response to the Iraqi invasion of Kuwait. This waiver shall remain in effect until further notice.

GEORGE BUSH.

U.S. DEPARTMENT OF STATE,
Washington, DC, August 8, 1990.

Mr. KIMMITT,
Legal counsel.

BOB: Amy Schwartz of Boyden's office informed me that the President signed a waiver this afternoon for eleven Cabinet officers and cabinet level officials, including Secretary Baker, that authorized them to participate in "current United States policy-making, discussions, decisions, and actions in response to the Iraqi invasion of Kuwait." Schwartz indicates that this will allow the Secretary Baker to participate in all foreign policy questions related to the Kuwait crisis, even those directly involving oil production and prices. In addition, OLC is expected to issue an opinion in the next day or so narrowing from previous interpretations the definition of "particular matter", the touchstone for potential conflict analysis.

Because of the breadth and sensitivity of the waiver, the White House is currently unwilling to distribute copies to affected individuals. We are working to reverse this position so that we can provide a copy to the Secretary.

THE WHITE HOUSE,
Washington, DC, November 20, 1991.

Memorandum for the Secretary of State, the Secretary of Treasury, the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of Transportation, the Attorney General-designate, the director of Central Intelligence, the Chief of Staff to the President, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, the Counsel to the President, and the Assistant to the President and Press Secretary.

Subject: Conflict-of-Interest Waiver.

I am writing to notify you of a conflict-of-interest determination I have reached under 18 U.S.C. 208(b) in connection with the indictments recently returned alleging the criminal responsibility of two Libyan nationals for the December 1988 bombing of Pan Am 103, over Lockerbie, Scotland.

As you know, terrorism poses a grave threat to peace and stability in the world as well as to the lives and safety of American citizens. On Thursday, November 14, 1991, Scottish authorities and the U.S. Department of Justice charged two Libyan officials with carrying out the December 1988 bombing of Pan Am Flight 103 over Lockerbie, Scotland. All 259 people aboard the aircraft and 11 people on the ground were killed. This monstrous act of the Libyan Government is only one example of Libyan state-sponsored terrorism. We have seen a consistent pattern of Libyan-inspired terrorism that dates almost from the beginning of Colonel Qadhafi's leadership and continues to the present. We now face a series of decisions on steps the international community should take to ensure that a major perpetrator of state-sponsored terrorism—Libya—is both punished and isolated. As I consider the options, it is essential that I be able to call freely upon my senior advisors for counsel and assistance.

I am aware that under Federal conflict-of-interest law (18 U.S.C. 208), an Executive branch employee cannot participate personally and substantially as a Government employee in a particular matter, in which, to the employee's knowledge, he has or is deemed to have a financial interest. I understand that the Department of Justice has historically interpreted this statute to mean that an individual cannot personally and substantially participate in a particular matter if the resolution of the matter would have a direct and predictable effect on such financial interests. An individual's appointing official is authorized to waive this prohibition based upon a determination that the individual's financial interests are "not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect" from the employee.

It is not clear which, if any, of the decisions ahead would constitute "particular matters" or whether any such "particular matters" would have a "direct and predictable effect" on the financial interests of advisors on whom I will need to rely. I have been advised that most of the high-level decisions and actions ahead will be at a level of

generality so broad as not to implicate Federal conflict-of-interest law.

Nonetheless, in the interest of caution and prudence, I believe that under current circumstances, Cabinet members and other key advisors should not be needlessly restricted in assisting me in shaping the United States response and the response of the international community to Libyan support for terrorism or be left in doubt about when they may and may not assist me. My Counsel, C. Boyden Gray, has reviewed your financial interests as reflected in your most recent public financial disclosure report, and as updated in conversations between a member of his staff and your ethics official. Mr. Gray's financial interests have been reviewed by the Counsel to the Vice President.

I have now been briefed on your financial interests. Some of you hold only interests such as mutual funds that under no foreseeable circumstances could be construed to implicate any prohibition under conflict-of-interest law. Some of you have substantial financial interests in industries that may be affected (though not necessarily in a "direct" or "predictable" way) by the resolution of situations (though not necessarily "particular matters") that may arise.

In light of the continuing threat to the peace and stability of the world posed by Libyan state-sponsored terrorism and the significance of our response to that threat, it is my judgment that, in each case, your financial interests are not "so substantial as to be deemed likely to affect the integrity of the services which the Government may expect" from you in all aspects of the current effort to develop and implement a United States and international response. I have considered the size of your financial interest(s) and the nature of the official services you may be called upon to provide.

In my judgment, the nature of the current situation and the gravity of the measures under consideration by the United States are such that even the substantial financial interests held by some of you could not be deemed likely to affect the integrity of the services the Government may expect from its chief foreign policy officers. Maintaining the highest standards of integrity in the Government has been a paramount priority for me throughout the Administration. In my view, national security considerations at stake in the current situation are so great as to render insignificant the likelihood that any of you could be swayed by your private interests.

On this basis, I hereby determine that the financial interests held by each of you, if any, are not so substantial as to be deemed likely to affect the integrity of the services that the Government may expect from you in the course of current United States policy-making, discussion, decisions, and actions, in response to the continuing threat of Libyan state-sponsored terrorism. This wavier shall remain in effect until further notice.

GEORGE BUSH.

WASHINGTON, DC,
January 13, 1989.

Judge ABRAHAM D. SOFAER,
Legal Adviser, U.S. Department of State, Washington, DC.

DEAR JUDGE SOFAER: This is to advise you that, if I am nominated, confirmed and appointed as Secretary of State, I will either recuse myself from participation in, or seek a waiver under 18 USC 208(b) allowing my participation in, any particular matter involving a company or other entity (or any of its parents or subsidiaries) in which I, my spouse or minor child has a financial interest.

If I am nominated, confirmed and appointed, I will provide the Deputy Secretary, the Executive Secretary and other appropriate officials with a list of entities subject to my recusal commitment and instruct them in writing to handle all official matters concerning such entities. I will update this list each year at the time that I complete my annual Executive Personnel Financial Disclosure Report, and more frequently if changes in my financial holdings so warrant.

Sincerely,

JAMES A. BAKER III.

THE SECRETARY OF STATE,
Washington, DC, January 25, 1989.

Memorandum for: Under Secretary for Political Affairs, Under Secretary for Management, Legal Advisor, Assistant Secretary for Economic and Business Affairs, and Executive Secretary.

From: Secretary Baker.

Subject: Recusal from participation.

This is to notify each of you that I am recusing myself, and will decline to participate in, any particular matter in which my former firm, Andrews & Kurth, is a formal party or in which it has a direct and specific financial interest, such as representing a party in such a particular matter. No such matter should be presented to me for decision, approval or disapproval, recommendation, advice, or other official action. All such matters should be directed to the Under Secretary for Political Affairs, or his delegate, who has full authority to act without referring the matter to me.

In addition, I will recuse myself from any particular matter in which I, my wife, or my dependent daughter has a financial interest. I have attached a list of companies and other entities in which one of us currently holds a financial interest. Again, all such matters should be directed to the Under Secretary for Political Affairs or his delegate.

Finally, I will recuse myself from participation, on a case by case basis, in any particular matter in which, in my judgment, it is desirable for me to do so in order to avoid the possible appearance of impropriety, despite the lack of any actual conflict of interest.

Once a Deputy Secretary has taken office, all matters on which I am recused shall thereafter be directed to the Deputy Secretary or his delegate.

I believe that this general policy, to which I am committed, will avoid not only the occurrence of any actual conflict of interest, but even the appearance of any conflict between my duties as an officer of the United States Government and my personal financial interests.

HOLDINGS OF JAMES A. BAKER, III, AND HIS IMMEDIATE FAMILY, JANUARY 25, 1989

CORPORATIONS, INCLUDING AFFILIATES AND SUBSIDIARIES.

Amoco.
Chemical New York Corporation and National Loan Bank.
Commonwealth Edison.
Exxon Corporation.
Houston Industries, Inc.
MCorp.
Salomon, Inc.
Schlumberger, Ltd.
Texaco, Inc.
Texas American Bancshares, Inc.
Time, Inc.
United Technologies Corp.
Wainoco.

LIMITED PARTNERSHIPS, CLOSELY HELD CORPORATIONS, OTHER ENTITIES

Frio County Ranch.
Garrett Ranch, Inc.
Property Capital Trust SBI.
Residential Resources Mortgage Investments Corp.
Trinity Petroleum Trust.
Sublette County Ranch.
Wilson Industries.
Bonnie Sue (Texas and Louisiana Limited Partnership).
Lady Thelma (Texas and Louisiana Limited Partnership).
Alice Jean (Texas and Louisiana Limited Partnership).
Hollywood 1004–7, 3009–14, 3003–6, 3007–8, 1008–14 and 3015 (Texas and Louisiana Limited Partnerships).
Hollywood Chem. 107 and 108 (Texas and Louisiana Limited Partnerships).
Hollywood LPG No. 2 (Texas and Louisiana Limited Partnership).
Lana Louise (Texas and Louisiana Limited Partnership).
Petro-Quest Associates 1980–1 (Pennsylvania Limited Partnership).
Hope No. 1, 2, 3 and 4 wells, Lewis County, West Virginia.
Claude Owens lease, Pecos, County, Texas.

THE WHITE HOUSE,
Washington, DC, March 2, 1992.

MEMORANDUM FOR THE SECRETARY OF COMMERCE

From: The President.

Subject: Conflict-of-interest waiver.

I am writing to notify you of two conflict-of-interest determinations I have reached under 18 U.S.C. 208(b)(1) in connection with the Middle East crisis resulting from the Iraqi invasion of Kuwait in August 1990 and the indictments returned last year alleging the criminal responsibility of Libyan nationals for the December 1988 bombing of Pan Am 103 over Lockerbie, Scotland. I wish to extend to you, in your capacity as Secretary of Commerce, the same protection I extended to your predecessor and to other senior advisors to participate fully in the consideration of policy options to respond to these two international incidents.

I have reviewed your financial interests in the course of considering your February 28, 1992 request for a waiver made in connection with your appointment, and which I have approved today. Based on that review, and for the reasons set forth in my memoranda dated August 8, 1990, and November 20, 1991 (copies of which are attached), it is my judgment that your financial interests are not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you in the continuing development and implementation of United States Government policy in these two matters. I have considered the size of your financial interests and the nature of the official services you may be called upon to provide. In my view, national security considerations at stake in these matters are so great as to render insignificant the likelihood that you could be swayed by your private interests.

Therefore, I hereby grant you a waiver under Section 208(b)(1), for the same matters and to the same extent addressed in the above-cited memoranda. This waiver shall remain in effect until further notice.

GEORGE BUSH.

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS,
Washington, DC, July 15, 1992.

Hon. NICHOLAS F. BRADY,
Secretary of the Treasury, Washington, DC.

DEAR MR. SECRETARY: The Committee on Banking, Finance and Urban Affairs is conducting an investigation of Banca Nazionale del Lavoro (BNL) and its links to the Iraqi technology procurement network. The Committee is investigating BNL loans of over $4 billion to Iraq including loans to Matrix-Churchill Corporation (MCC) an Iraqi front company operating in the U.S. As Chairman of the Committee on Foreign Investment in the United States (CFIUS), the Banking Committee respectfully asks for your assistance with this investigation.

Specifically, the Committee would like to learn more about the Government of Iraq (GOI) efforts to procure U.S. technology by investing in or acquiring U.S. companies such as MCC. As Chairman of the interagency process responsible for reviewing foreign investment in the U.S., the Committee requests that you answer the following questions and provide the following information:

1. Please provide the Committee with all documents in the Treasury Department's possession, whether created by the Treasury Department or other agencies, related to Iraqi attempts to acquire or invest in U.S. companies;

2. Related to Matrix-Churchill Corporation (MCC), please answer the following questions:

a. Matrix-Churchill machine tools are used in several U.S. armaments factories, foreign armaments factories, as well as in the U.S. aircraft and aerospace industries. Did the CFIUS review indirect acquisition of MCC in 1987? If yes, please provide details of this review.

b. The parent company of MCC was based in the U.K. The GOI purchased the U.K.-based parent of MCC in 1987. Thus, the GOI was able to gain control of U.S.-based MCC by purchasing its parent in the U.K. What mechanism is available to CFIUS to review a foreign acquisition of a U.S-based firm through the purchase of its parent in a third country? Please elaborate.

If you have any questions concerning this request please have your staff contact Mr. Dennis Kane or Mr. Abuid Amaro. They can be reached at (202) 225-4247.

Sincerely yours,

HENRY B. GONZALEZ,
Chairman.

DEPARTMENT OF THE TREASURY,
Washington, DC, August 24, 1992.

Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and Urban Affairs, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am responding to your letter of July 15, 1992, to Secretary Brady in his capacity as Chairman of the Committee on Foreign Investment in the United States (CFIUS). In your letter, you indicate that the Banking Committee is investigating Banca Nazionale del Lavoro (BNL) and its relationship to the technology procurement network of the Government of Iraq (GOI). You also mention that the Committee is interested in learning more about the GOI and its attempts to acquire U.S. technology by buying or investing in U.S. companies such as Matrix-Churchill Corporation (MCC).

Your letter asks the Secretary, as CFIUS chair, to respond to two requests regarding the Banking Committee's investigation. On behalf of the Secretary, the following are your requests and our responses:

1. Please provide the Committee with all documents in the Treasury Department's possession, whether created by the Treasury Department or other agencies, related to Iraqi attempts to acquire or invest in U.S. companies.

Response: CFIUS has no documents in its possession related to Iraqi attempts to acquire or invest in U.S. companies.

When CFIUS was created by Executive Order 11858 on May 7, 1975, it was given the responsibility of monitoring and reviewing significant foreign investments in the United States. It was not until the promulgation of Executive Order 12661 of December 27, 1988, following the enactment of Exon-Florio that CFIUS had the authority to conduct a review and, if necessary, an investigation of foreign direct investments in the United States that have a potential impact on U.S. national security.

From May, 1975, until December, 1988, CFIUS reviewed about 30 foreign direct investments involving U.S. corporations. None involved an investment by the GOI or its government-owned companies or subsidiaries.

Since December, 1988, CFIUS has received over 720 foreign direct investments in U.S. corporations and none have involved the GOI or its government-owned companies or subsidiaries.

You also request any other documents on Iraqi investments that the Department has in its possession. Since you have written to the Secretary in his capacity as chair of CFIUS, we are interpreting your request to be limited to materials received pursuant to Treasury's authorities to monitor and regulate Foreign Direct Investment (FDI). However, if you intended to obtain documents produced or acquired pursuant to Treasury's law enforcement authorities, I would appreciate your letting me know as soon as possible so that I may forward your letter to the appropriate offices.

2. Related to Matrix-Churchill Corporation (MCC), please answer the following questions:

a. Matrix-Churchill machine tools are used in several U.S. armaments factories, foreign armaments factories, as well as in the U.S. aircraft and aerospace industries. Did the CFIUS review the indirect acquisition of MCC in 1987? If yes, please provide details of this review.

Response: CFIUS did not review any transaction involving Matrix-Churchill.

b. The parent company of MCC was based in the U.K. The GOI purchased the U.K.-based parent of MCC in 1987. Thus, the GOI was able to gain control of the U.S.-based MCC by purchasing its parent in the U.K. What mechanism is available to CFIUS to review a foreign acquisition of a U.S.-based firm through the purchase of its parent in a third country? Please elaborate.

Response: The regulations that implement the Exon-Florio provision define foreign control functionally in terms of the ability to take specific actions with regard to the acquired company. The regulations require the party providing notice of a proposed transaction to trace control to the foreign parent and foreign affiliates, if any. This mechanism for reviewing an indirect foreign acquisition of a U.S.-based firm has been in place since July, 1989, when the Exon-Florio regulations were published in proposed form.

I hope this information satisfactorily addresses your request.

Sincerely,

MARY C. SOPHOS,
Assistant Secretary, Legislative Affairs.

AEROJET ORDNANCE CO.,
Jonesboro, TN, May 24, 1983.

Subject: RFQ82-011, CNC Lathes and Centerline Machine.

Mr. PHIL BRINDLEY,
Matrix-Churchill Corp., 5903 Harper Road, Cleveland, OH.

DEAR MR. BRINDLEY: Your proposal to fill our requirements on this RFP has been evaluated and, in this instance, was not selected for an award. We thank you for participating in our machine tool procurement and appreciate the effort made by you.

Your name and a copy of your proposal will remain on file for assistance in preparing bidder's lists for future machine tool requirements.

Sincerely,

KENT C. BORCHERS,
Purchasing Manager.

MATRIX CHURCHILL, CORP.,
Cleveland, OH, February 14, 1983.

Attention: Mr. Kent Borchers.

Subject: Matrix Churchill Quotation CR-302-002.

TNS, Inc.,
P.O. Box 158, Old Route 11-E, Jonesboro, TN.

DEAR KENT: Per our conversation of Friday 11th February, we were advised that the US Army would be the purchaser of this equipment. In this case the following document has validity:

'Duty Free Entry-Qualifying Country End Products and Supplies' DAR Paragraph 7-104.32 dated Jan 81.'

It is our interpretation that the equipment as quoted is subject to the above publication and as such can be imported Duty Free for US Army Purchase.

The prices as quoted include import duty to an increment equivalent to 5.7% of quoted prices.

Accordingly, please reduce our quoted prices by 5.7%.

Best regards,

PHIL BRINDLEY,
Sales Engineer.

(a) Service and Spare Parts:

Matrix Churchill's Cleveland, Ohio facility serves as the headquarters for service and spare parts.

We maintain a well-stocked inventory of replacement parts and can offer same day shipping of critical items.

As a policy, we source compatible replacement parts from U.S. vendors and stock them at our Cleveland facility. Additionally, all electronics, spindle drive, control components and bearings are of U.S. manufacture.

Matrix Churchill Service Engineers are of the highest caliber, are factory trained and have many years of experience. All of them have strong backgrounds in tooling, programming, electronics and CNC troubleshooting. Additionally, our Service Engineers are compensated on the same incentive bases as our Sales force. This ensures they have a professional, vested interest in timely, efficient service to our customers.

(b) Engineering Personnel:

From an Engineering standpoint, the project will be managed in the U.K. by Dr. Malcolm Thorneycroft. Mr. Thorneycroft holds a Doctorate in Mechanical Engineering and is a specialist in Flexible Manufacturing Systems and Control Engineering.

It is estimated that five percent (5%) of our engineering staff would be working on the project. It should be pointed out that much of the engineering designs have already been worked out on machines supplied already on like installations.

(c) Past Performance:

Churchill is the major supplier of machines for munitions production in the U.K. and one of the leading suppliers world wide with some 275 munitions installations.

Penetrators machined in depleted uranium and the sabot 'petals' are currently being produced on Churchill 302 and CTC-4 machines in several British Royal Ordnance factories. These installations are regarded as somewhat classified and we know that the US Army contacts and channels can verify these installations with the installation sites concerned.

(d) Schedule:

After contract award but prior to initiating construction and purchase of material, Churchill will submit the following system drawings:

[Not reproducible in the Record]

WORLDWIDE MUNITION MANUFACTURE COUNTRIES USING CHURCHILL TURNING EQUIPMENT

United Kingdom, Belgium, Switzerland, France, Pakistan, India, Israel, Argentina, Canada, Taiwan, Australia, and Egypt.

275 Machines Total.

MATRIX CHURCHILL CORP.,
Baghdad Hay Al-Adel.

Ref. No.: MCC 1718/89.

Date: 1st. July 1989.

DEAR MR. QADDUMI: Upon the instructions of Dr. Safa in a telephone conversation today he has instructed us to keep all the bills for you here for personal collection on your next visit, and I am to present to you as overleaf a bill for the amounts stated for your Accountants.

There is some doubt here about the bills being presented in full as they are from Military companies that we feel, if they are translated by your Accountants, cause you a few problems. Nothing sinister in them at all, but it is possible that they could be misconstrued by your Tax Authority. Kind regards,

JIM BARTHOLOMEW,
MCC Iraq Manager.

INVOICE NO: 1789

For renovating, decorating, rewiring faulty electrics, at your Offices in Hay Al-Adel Section 645/8/39.

Iraqi Dinar 6000.000

MAROUF CONSTRUCTION CO.

BARAKAT WALKER CO.,
Potomac, MD, November 7, 1988.

SAM NAMAN:

Please find below a suggested draft of a letter, per your request:

Per our telephone conversation of Friday, November 4, 1988 our company is selling a steel factory for approximately $50 million to the Government of Iraq. We would like to barter this factory for Iraqi crude oil (Basra Light).

Please confirm that Coastal Corporation would be interested in purchasing the Iraqi crude at agreed upon price and delivery dates.

Hope the above is helpful.

Best regards,

A.B. BARAKAT.

MATRIX-CHURCHILL, CORP.,
Cleveland, OH, November 10, 1988.

Subject: Bartering With Iraq.

Mr. BARAKAT,
Barakat Walker and Co., Potomac, MD.

DEAR MR. BARAKAT: Per our telephone conversation of Friday, November 4, 1988 our company is dealing with Iraq on many multi-million dollar projects. We would like to barter some of these projects for Iraqi crude oil. Would you confirm in writing that Coastal Corporation would be interested in purchasing the Iraqi crude oil at an agreed upon price and delivery dates along with their general terms and conditions. I look forward to hearing from you soon.

Best regards,

SAM NAMAN,
Project Manager.

REPORT ON THE STATUS OF NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, I take this time to discuss a report on Nicaragua which I have filed today as a member of the Subcommittee on Foreign Operations, Export Financing and Related Programs of the Committee on Appropriations, accompanied by a letter to the gentleman from Mississippi, the Honorable JAMIE WHITTEN, chairman of the Committee on Appropriations, and to the gentleman from Wisconsin, the Honorable DAVID OBEY, chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs of the Committee on Appropriations.

Mr. Speaker, I will read a copy of the letter which accompanies the report:

SEPTEMBER 18, 1992.

Hon. JAMIE WHITTEN,
Chairman, Committee on Appropriations, The Capitol.

Hon. DAVID R. OBEY,
Chairman, Subcommittee on Foreign Operations, Export Financing and Related Programs, The Capitol.

Dear MESSRS. CHAIRMEN: Please find enclosed herewith my report to you on my recent trip to Nicaragua. Also enclosed is a copy of a General Accounting Office (GAO) Report. During the period of September 10 through September 12, 1992, while in Managua, Nicaragua, I met with numerous individuals from all sides of the political spectrum. See attachment. The transition that has occurred since my last visit in 1980 from a Marxist government to a functioning Democratic government has been truly remarkable. In the past two years since the election of Violeta Chamarro, Nicaragua has received significant financial assistance from the United States, which has resulted in the beginnings of economic recovery and social stability. However, much remains to be done, and in my view the U.S. has to play a vital and positive role in assisting this fragile democracy move forward.

The Administration is currently withholding $104,000,000 in fiscal year 1992 assistance intended for Nicaragua, despite the fact no Committee of Congress has a formal hold on these funds. In fact, David Obey, Chairman of the Foreign Operations Subcommittee, wrote Secretary Baker on July 1, 1992, urging immediate disbursement. This was followed by a similar letter from Rep. Lee Hamilton and a further letter signed by over 50 members of the House. By continuing to withhold these funds the Administration is apparently responding to a request by the ranking Republican of the Senate Foreign Relations Committee and issues raised in a Republican Staff Report of that Committee. I find this astonishing both procedurally and substantively. The findings in the attached report are based on my recent visit and are put forward to the Committee for their consideration.

Sincerely,

BILL ALEXANDER,
Member of Congress.

Mr. Speaker, I will now read from the report:

NICARAGUA REPORT

PROGRESS HAS BEEN MADE

The progress made in Nicaragua since the election of Violeta Chamarro to the presidency in 1990 has been remarkable considering the conditions she faced when taking office. The most noteworthy, of course, is the end of ten years of civil war. The fighting forces in that war have been demobilized and drastically reduced in size. According to the Organization of American States (OAS), more than 18,000 former resistance combatants have been demobilized, and 35,000 have been repatriated. According to U.S. Department of Defense officials in Nicaragua, the Nicaraguan Army has been cut from 30,000–35,000 members of the active forces to 15,000–16,000 today.

President Chamarro, as she took office in April 1990, inherited an economy in ruins. According to the General Accounting Office (GAO), "per capital gross domestic product has fallen to less than one half of what it had been prior to the 1979 Sandinista revolution, the country had experienced hyper-inflation, which peaked at 33,654 percent in 1988; foreign debt had accumulated to about $11 billion, and per capita income was estimated at less than $300 in 1991, the lowest in Central America."

The Chamarro government is implementing an ambitious policy of reconciliation, democratization, reform and economic development that is assisted by a large infusion of economic aid from the U.S. This has been successful in enabling the economy of Nicaragua to begin its recovery. Vital assistance from the U.S. and other donors has ended hyper-inflation and permitted stabilization of the currency. The cordoba is traded freely at a stable 5 cordobas to $1, and black market currency speculation has largely ceased. Nicaragua has cleared its arrears with the World Bank and the Inter-American Development Bank, and new lending from these institutions has resumed. U.S. assistance has also been used to provide the external financing needed to bring about economic stabilization, eliminate state monopolies, legalize private financial institutions and to remove trade restrictions. Other funds have been used to finance imports from the U.S. and to reduce government employment in Nicaragua. Nearly 28,000 people have left the government's employ in the past two years.

The institutions of government are functioning in Nicaragua. U.S. assistance has been used to advise various institutions on both policy and administrative matters. Remarkable progress has been made in the capacity of the National Assembly to function. Finally with U.S. help independent labor unions have gained strength in both membership and professional capability.

PROBLEMS EXIST

Naturally, Nicaragua has a long way to go to consolidate a democratic system of government. Our own historical experience clearly shows that this would be the case. It took our nation about a half century to re-

cover from the ravages of our own Civil War. Both the police and the Army continue to be dominated by one party. Unemployment is very high and credit is tight. Areas outside of the capital continue to be unstable. Two small groups of former contras have recently taken up arms and are encamped in the northern region. The claims of former property owners are multiplying as the government struggles to set up a mechanism to address them. Allegations of bribery and corruption have surfaced in the National Assembly contributing to a stalemate within that body. Finally, certain members of the Assembly, for various reasons, are using this stalemate to attempt to stymie the government and continue the hold up of U.S. assistance.

In order to address these problems the U.S. should be working in a positive fashion with all elements of Nicaraguan society. Specifically I would strongly recombed that:

1. The U.S. Department of Justice's use of resources, through the International Criminal Investigative Training and Assistance Program (ICITAP), to conduct a thorough and comprehensive professional police training program, such as we did in Panama after the ouster of Manuel Noriega. Most of the individuals who were trained for the new police force of Panama were former members of the Panama Defense Force. Also, a comprehensive police training program is now underway in El Salvador as that nation struggles to establish a new police force. The U.S. simply cannot be credible on police reform, if this nation does not engage the institution and attempt a professional police training program.

2. The U.S. should encourage the continued reduction in the size of the Nicaraguan Army and its reserve structure to bring it into line with other countries of the region. The U.S. should also encourage a process of professionalizing and depoliticizing the Army through training programs. The U.S. should insist upon the cessation of arms transfers to non-governmental entities outside Nicaragua, and on full disclosure of all planned arms sales to other countries in the region.

3. The U.S. should work with the government to achieve the return of confiscated properties. Foreign investors must believe that their property will be secure. This process will take time, and the ability of the government to compensate all claimants without jeopardizing economic stability must be taken into account. However, steady progress should be demonstrated. It is hoped that claimants realize that had Mrs. Chamarro not won election, the chances of getting their properties returned would not even exist.

4. The government must accelerate its effort to investigate alleged human rights abuses and killings. I commend recent efforts to form a tri-partite commission to address allegations of the killings and abuse of both former contras and Sandinistas. The U.S. should assist in this process, but should also initiate judicial reform programs in order to strengthen the institutional capability to deal with the numerous allegations which surface from time to time. The aid program should be altered to make judicial reform a priority. The U.S. should use the benefit of our experience in the region to help design and implement a comprehensive program for Nicaragua. In addition, perhaps through the Commission for Independent Support and Verification (OAS-CIAV), we should avail ourselves of the experience of the Organization of American States by inviting OAS participation in this process.

5. The U.S. should denounce alleged corruption and bribery and, if true, work to end these destructive and destabilizing practices. The U.S. should support any effort by the Nicaraguans to explore the feasibility of establishing a code of ethics for government officials.

6. The U.S. should offer to accelerate its effort to strengthen the professional capability of the National Assembly, being careful not to put this nation in the position of appearing to interfere in any way to the duly elected government of Nicaragua. It is my observation after meeting with members of the Nicaraguan Assembly that ideological differences represent a significant obstacle to real economic progress. Because of my experience in Congress I understand that there will be differences of opinion in a democracy, but I also fully understand—particularly during this time of political gridlock in Washington—that partisan differences can reach such a level as to bring progress to a grinding halt. One measure of relief could come from a more open flow of information from the Executive to the Legislative branch of government.

Both Washington and Manugua have lessons to learn. But what Nicaragua desperately needs is to put aside political and ideological bickering and pull together in an effort to stimulate economic growth.

I can best sum up my view of this situation by relating what I told Sandinista Party head, Daniel Ortega: "ideologica no hace tortillas" (ideology does not make tortillas).

Less conspicuous ideological debate would serve to attract foreign investors.

7. The U.S. should alter the aid program so its effects are felt more directly by the people. While the initial aid program was devoted largely to solving macro-economic problems, it's high time to focus on more basic needs. At a minimum, one half of the aid program should be provided in the form of development-related projects. While some effort has been devoted to health, education, agriculture and environmental protection, much more remains to be done. I commend the U.S. citizens managing the AID program in Nicaragua. Their impressive performance is making a beneficial difference.

One of the most pressing problems I encountered was the lack of credit for small farmers. This exacerbates social tensions in rural areas because it fosters unemployment and loss of hope. The U.S. should offer to use existing successful models from U.S. farm programs to design and implement an appropriate credit or credit guarantee program for small to medium sized farmers in Nicaragua.

Great needs exist in the areas of health and education. According to the GAO report "in early 1991 Nicaragua had one of Central America's highest infant mortality rates at 61 deaths per thousand, and an estimated 20 to 30 percent of Nicaraguan children were malnourished." Also "although the Sandinistas has instituted a major educational campaign in its early years that claimed significant successes, by 1987 literacy rates were estimated at 26 percent and texts used in primary and secondary schools were heavily politicized." The current priority of the aid program should be altered to address these needs. Addressing basic human needs and putting people to work is still the most viable method of enabling social stability. Without that stability, all of the economic progress made in the past two years will fade away.

U.S. SHOULD NOT WITHHOLD AID

The State Department is currently continuing to withhold fiscal year 1992 assistance to Nicaragua despite the fact that Congress has no formal holds on these funds. To continue to withhold these funds threatens to seriously destabilize this fragile democracy and to strengthen the power of those extreme elements from both the left and right. In the past months the Nicaraguan government has made progress in the areas of policy reform, property rights and addressing human right abuses. The U.S. should and will undoubtedly continue to strongly urge the Nicaraguan government to continue to make progress in these areas.

The critical question: How should these reforms affect the flow of aid. These funds are needed now. The funds were originally scheduled for disbursement in early July of this year. The U.S. State Department has added conditions to the release of these funds at a time when the Nicaraguan government's back is to the wall. If explicit conditionality involving specific reforms not related to the economy was desired, it should have been made clear to the Nicaraguans nine months ago, when Secretary Baker visited the country. By continuing to withhold these funds at this time, the Administration gives the appearance of giving credence to all of the allegations in the Republican Staff report of the Senate Foreign Relations Committee, and ignores the will of the majority of members in the U.S. Congress.

The continued suspension of U.S. aid weakens Mrs. Chamarro further and puts democracy at risk. Ironically, the beneficiaries of this action hold may likely be opponents of democracy. Any abrupt removal of Sandinistas from government positions will go a long way toward unifying the Sandinista party, which is currently not united. This is particularly ironic after the efforts in the 1980s by the Reagan Administration to overthrow the Sandinistas and establish a democratic government in Managua.

On the other side of the political spectrum the continued hold encourages those who prefer to come to Washington to fuel political controversies, rather than address problems through their own institutions and processes in Nicaragua. It's simply too late to impose further conditions on fiscal year 1992 assistance. However, this report may be useful in shaping the fiscal year 1992 U.S. aid package.

In the words of Cardinal Obando y Bravo: without this aid Nicaragua will be "in big trouble."

NICARAGUA TRIP

LIST OF CONTACTS—MEETINGS

President—Violeta de Chamorro.

Presidency Minister—Antonoio Lacayo.

General Humberto Ortega.

OAS-CIAV—Santiago Murray.

Cardinal Obando y Bravo.

Daniel Ortega.

Pedro Joaquin Chamorro—Editor—La Prensa.

Carlos Fernando Chamorro, Editor—Barricada.

Jose Pallais—Vice Minister, Foreign Affairs.

U.S. Embassy: Agency for International Development.

Representatives of all political parties of the Nicaraguan Assembly.

Members of the Business community.

Land Claimants: Juan Vassalli, Garold LaRue.

According to Rules of the House of Representatives, the General Accounting Office [GAO] full report, dated August 19, 1992 "Aid to Nicaragua: U.S.

Assistance Supports Economic and Social Development," is too lengthy for reprint in the CONGRESSIONAL RECORD. Following is the executive summary of that report.

AID TO NICARAGUA—EXECUTIVE SUMMARY

PURPOSE

Upon its inauguration on April 25, 1990, the democratically elected government of Nicaragua headed by President Chamorro inherited an economy in very poor condition. The country faced hyperinflation, high unemployment, and dire social needs. The United States provided almost $500 million in economic support and development assistance from February 1990 through fiscal year 1991 to support Nicaragua's efforts to address its economic and social needs, and its plans to provide an additional $142 million in fiscal year 1992 and about $200 million annually through fiscal year 1996. The Dire Emergency Supplemental Appropriations Act of 1990 (P. L. 101-302) required that GAO report on the effectiveness of and lessons learned from U.S. assistance to Nicaragua.

BACKGROUND

The Agency for International Development (AID) designed its assistance program to (1) help meet Nicaragua's foreign exchange and import needs, (2) encourage the Nicaraguan government to undertake economic reforms, (3) address immediate social concerns and longer term developmental needs, and (4) support the efforts of the United Nations and the Organization of American States (OAS) to repatriate and resettle former Nicaraguan Resistance members and their dependents.

RESULTS IN BRIEF

Cash grants totaling $340.5 million between June 1990 and December 1991 were effective in helping Nicaragua begin to stabilize its economy and to lay the foundation for future growth. The grants enabled Nicaragua to import goods and helped the government clear its arrears with international financial institutions. An important lesson learned is that AID's continuing dialogue with the government of Nicaragua and the international financial institutions, along with the immediate availability of hard currency, was effective in supporting economic stabilization.

The conditions placed on grants encouraged Nicaragua to undertake economic reforms, and as an incentive deposits were made to Nicaragua's account as grant agreement conditions were met. However, this occurred in advance of Nicaragua's need to spend the funds. As a result, Nicaragua earned interest on the funds and the U.S. government incurred additional interest costs.

Nicaragua still faces several obstacles to economic growth, such as defining property rights and resolving political conflicts that have led to violence. Moreover, Nicaragua has not yet resolved U.S. citizen's claims for expropriated property.

AID programmed $82.2 million for 18 development projects in education, health, employment, and other sectors. AID implemented some projects quickly, but implementation of the long-term development projects has been slower than AID expected.

Resettling the former Resistance took more than 1 year longer than expected and will cost about $13.7 million more than the $28.8 million the United States initially provided. U.S., OAS, and Pan American Health Organization officials estimated in November 1991 that between 75 and 80 percent of the former Resistance members had been resettled, but data were not available to verify this estimate.

PRINCIPAL FINDINGS

Cash grants encouraged economic reforms

AID's cash grants of $265.5 million for balance of payments support and $75 million to help clear arrears with international financial institutions provided the Nicaraguan government with the financial support necessary to begin stabilizing the economy. The assistance was conditioned on implementing certain economic reforms, and funds were deposited to Nicaragua's account as the conditions were met. However, AID's policy of depositing funds in Nicaragua's Federal Reserve Bank account as conditions were met meant that funds were financed by U.S. borrowing and deposited in Nicaragua's account in advance of when they were used to finance imports. As of March 31, 1992, the funds had earned about $6.7 million in interest for Nicaragua. To prevent this from occurring in the future, AID could require that (1) recipient government accounts in the Federal Reserve Bank do not earn interest or (2) interest be paid to the U.S. Treasury.

Nicaragua made progress during 1990, transforming its economy from a command economy to a market economy. Exchange rates were unified, public revenues were stabilized, and fiscal deficit was reduced. In March 1991, monetary policy and budget reforms were introduced. These actions, supported by U.S. assistance, contributed to reducing inflation from a peak of 117 percent in May 1990 to near zero by December 1991. With the help of the U.S. grant, Nicaragua cleared its arrears of $303.2 million to the World Bank and the Inter-American Development Bank in September 1991. These banks, along with the International Monetary Fund, have since earmarked about $450 million in additional assistance through fiscal year 1994.

Additional measures, in particular, settling property disputes and resolving political conflicts that have led to violence, will be necessary to create an economic climate favorable to investment and economic growth. Also, no significant investment in productive resources will likely occur until Nicaragua guarantees property rights of investors. About 150 U.S. citizens had claims for expropriated property as of June 1992, but the Nicaraguan government has not yet resolved most of them. The State Department believes Nicaragua is taking appropriate steps to settle these claims, as required by section 620(e) of the Foreign Assistance Act of 1961, as amended, for U.S. assistance to continue. However, the act does not require the State Department to provide the Congress the factual basis for this conclusion.

U.S.-financed development projects started more slowly than anticipated

AID wanted to demonstrate quick, visible support of the Chamorro government, and accordingly, allocated 72 percent of fiscal year 1990 development assistance for nine "immediate impact" projects, such as providing needed schoolbooks and pharmaceuticals. Other funds were allocated to nine longer term development projects, such as managing natural resources and strengthening democratic institutions, but these projects took almost 18 months to begin. Fifteen of the 18 projects had been designed and approved by the end of 1991, although not all had begun operations. At that time, $32.4 million of the $82.2 million obligated in fiscal years 1990 and 1991 had been disbursed, with most of the funds being spent on immediate impact projects. AID requires evaluations of projects, but the mission had performed an interim evaluation of only one project and had extended two projects without an evaluation of their effectiveness or impact.

U.S. aid supported resettlement efforts

At the time of the elections in February 1990, the United States hoped that OAS would be able to resettle the former Resistance—an estimated 20,000 former Resistance members and 40,000 dependents—in time for them to begin producing their own food at the August 1990 harvest. With $28.8 million in U.S. assistance, OAS established a program to provide transportation to resettlement areas, farm tools, housing construction materials, monthly food packages, and medical care. However, resettlement took longer and cost more than expected because of (1) delays in demobilization and repatriation, (2) the Nicaraguan government's failure to provide enough land, and (3) an increase in the number of program beneficiaries to about 117,500. As a result, AID provided OAS $10.9 million more in fiscal year 1991 to continue and expand its program, and later an additional $2.8 million to continue its efforts to mediate disputes among the former Resistance, Sandinistas, and the government.

RECOMMENDATIONS

GAO recommends that the Administrator of AID (1) revise the policy for structuring grant agreements for cash transfers held in Federal Reserve accounts to minimize the costs to the United States and (2) direct the AID mission in Nicaragua to make timely evaluations of projects and complete them before projects are extended.

MATTERS FOR CONGRESSIONAL CONSIDERATION

To ensure that it is adequately apprised of the steps being taken by any foreign government to provide relief to any U.S. citizen whose property has been seized or expropriated, the Congress may wish to consider amending section 620(e) of the Foreign Assistance Act of 1961 to require the President to report to the Congress the factual basis for any conclusion that the foreign government has taken or is taking the appropriate steps to provide such relief.

AGENCY COMMENTS AND GAO EVALUATION

AID agreed that evaluations should be timely and undertaken before projects are extended and stated that corrective actions had begun. AID indicated that complying with a proposed recommendation that the timing of cash transfers coincide more closely with Nicaragua's need for the funds would seriously affect the incentives offered Nicaragua to quickly carry out the policy and economic reforms. GAO agrees that depositing funds in Nicaragua's account as conditions are met offer an incentive to institute reforms; however GAO believes that this could be accomplished more economically. GAO has revised its recommendations on this point to encourage AID to adopt better cash management principles in developing future grant agreements.

Both the State Department and AID said that over the past 2 years, senior U.S. officials have placed a high priority on resolving claims. GAO notes that specific actions cited have occurred since January 1992. Both State and AID acknowledged, however, that most claims had not been resolved. The State Department maintained that because Nicaragua had taken some action, the prohibition against continued aid did not apply. GAO believes that the factual bases for reaching such a conclusion in cases like Nicaragua should be reported to the Congress.

□ 1350

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. HORTON) to revise and extend their remarks and include extraneous material:)

Mr. HORTON, for 60 minutes, on September 30.

Mr. REGULA, for 60 minutes each day, on September 22 and 23.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 60 minutes, today.

Mr. DYMALLY, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HORTON) and to include extraneous matter:)

Mr. MOORHEAD.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mrs. SCHROEDER.

Mr. LANTOS in two instances.

Mr. MONTGOMERY.

Mr. MAZZOLI in two instances.

ENROLLED BILLS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 238. An act for the relief of Craig A. Klein;

H.R. 454. An act for the relief of Bruce C. Veit;

H.R. 478. An act for the relief of Norman R. Ricks;

H.R. 712. An act for the relief of Patricia A. McNamara;

H.R. 3379. An act to amend section 574 of title 5, United States Code, relating to the authorities of the Administrative Conference; and

H.R. 5620. An act making supplemental appropriations, transfers, and rescissions for the fiscal year ending September 30, 1992, and for other purposes.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Tuesday, September 22, 1992, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4286. A letter from the Secretary of Agriculture, transmitting a report entitled "New York-New Jersey Highlands Regional Study"; to the Committee on Agriculture.

4287. A letter from the Commissioner, National Center for Education Statistics, transmitting the fourth annual report on dropout and retention rates entitled "Dropout Rates in the United States: 1991"; to the Committee on Education and Labor.

4288. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to the Coordination Council for North American Affairs for training (Transmittal No. 92-45), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4289. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on illegal payments in connection with international security assistance, pursuant to 22 U.S.C. 2394a; to the Committee on Foreign Affairs.

4290. A letter from the Office of Legislative Affairs, Department of Justice, transmitting a draft of proposed legislation entitled "The Orderly Phase-Down of Parole Act of 1992"; to the Committee on the Judiciary.

4291. A letter from the Secretary of Commerce, transmitting a report on the status of efforts to negotiate measures necessary for the conservation and management of swordfish within the International Commission for the Conservation of Atlantic Tunas; to the Committee on Merchant Marine and Fisheries.

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. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3204. A bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes; with an amendment (Rept. 102-873, Pt. 2). Order to be printed.

Mr. BROOKS: Committee on the Judiciary. S. 2201. An act to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States and the Baltic States as employment-based immigrants under the Immigration and Nationality Act, and for other purposes. (Rept. No. 102-881, Pt. 1). Order to be printed.

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 1637. A bill to make improvements in the Black Lung Benefits Act; with an amendment (Rept. 102-882). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII,

Mr. KYL introduced a concurrent resolution (H. Con. Res. 360) concerning the sale of F-15 aircraft to Saudia Arabia; which was referred to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 78: Mr. KOSTMAYER.

H.R. 617: Mr. SPRATT.

H.R. 2222: Mr. MOORHEAD and Mr. SANGMEISTER.

H.R. 3071: Mr. COSTELLO and Mr. HYDE.

H.R. 3871: Mr. TORRICELLI and Mr. SAWYER.

H.R. 4040: Mr. RAY.

H.R. 4243: Ms. LONG.

H.R. 4279: Mr. KILDEE.

H.R. 4526: Mr. GILMAN.

H.R. 5153: Mr. HYDE, Mr. HANCOCK, and Mr. DOOLITTLE.

H.R. 5216: Mr. PERKINS, Mr. MCCRERY, Mr. EMERSON, Mr. IRELAND, Mr. HOBSON, Mr. QUILLEN, and Mr. SUNDQUIST.

H.R. 5693: Mr. LEVINE of California.

H.R. 5726: Mr. GLICKMAN.

H.R. 5745: Mr. DREIER of California, Mr. ROBERTS, Mr. ROE, and Mr. SOLOMON.

H.R. 5842: Mrs. COLLINS of Illinois, Ms. WATERS, Mr. MFUME, Mr. HAYES of Illinois, Mr. CLAY, Mr. MARTINEZ, Mr. CARR, Ms. HORN, Ms. PELOSI, Mr. KILDEE, Mr. LEWIS of Georgia, Mr. GUARINI, Mr. HUGHES, Mr. PALLONE, Mr. LIVINGSTON, Mr. OLVER, Mr. MARKEY, Mr. SWIFT, Mr. DURBIN, Mr. MOODY, and Mr. SERRANO.

H.R. 5851: Mr. GORDON.

H.R. 5862: Mr. BUSTAMANTE, Mr. FRANK of Massachusetts, Ms. NORTON, Mrs. UNSOELD, Mrs. MORELLA, Mr. GONZALEZ, and Mr. RANGEL.

H.R. 5877: Mr. HAYES of Illinois, Mr. OWENS of New York, and Mr. LEVINE of California.

H.R. 5973: Mr. EVANS.

H.J. Res. 399: Mr. IRELAND, Mr. RINALDO, Mr. LEHMAN of California, and Mr. BROWN.

H.J. Res. 474: Mr. BROOKS, Mr. PORTER, Mr. HAYES of Illinois, Mr. KENNEDY, Mr. PAYNE of New Jersey, and Mr. BRYANT.

H.J. Res. 476: Mr. ROTH, Mr. CHANDLER, Mr. GILLMOR, Mr. MOLLOHAN, Mr. SMITH of Texas, Mr. THORNTON, Mr. THOMAS of California, Mrs. LLOYD, Mr. KLECZKA, and Mr. SUNDQUIST.

H.J. Res. 484: Mr. LEVIN of Michigan, Mr. DEFAZIO, Mr. COLEMAN of Texas, Mr. LIPINSKI, Mr. BACCHUS, Mr. MANTON, Mrs. PATTERSON, Mrs. COLLINS of Illinois, Mr. GONZALEZ, Mr. MCNULTY, Mr. KLECZKA, Mr. BUSTAMANTE, Mr. LAGOMARSINO, Mr. JOHNSTON of Florida, Mr. WAXMAN, Mr. JONTZ, Mrs. BENTLEY, Mr. BILIRAKIS, Mr. COUGHLIN, Mr. DORNAN of California, Mr. HYDE, Mr. MARTIN, Mr. MCCOLLUM, Mr. MCDADE, Mr. RINALDO, Mr. ROBERTS, Mr. RIGGS, Mr. WYLIE, Mr. THOMAS of California, Mr. KENNEDY, and Mr. SMITH of Texas.

H.J. Res. 489: Mr. ROBERTS, Mr. SMITH of Oregon, Mr. MCGRATH, Mr. OBEY, Mr. BOEHLERT, Mr. YATRON, Mr. HAYES of Illinois, Mr. DICKS, Mr. CHAPMAN, Mr. BROWN, Mr. CALLAHAN, Mr. THOMAS of California, Mr. MCDADE, Mr. MORRISON, Mr. ASPIN, Mr. DELLUMS, Mr. MCDERMOTT, Mr. PRICE, Mr. SABO, Mr. DYMALLY, and Mr. SWIFT.

H. Con. Res. 353: Mr. KLUG, Mr. DYMALLY, Mr. LANTOS, Mr. FOGLIETTA, and Mr. KOSTMAYER.

H. Res. 557: Mr. BROOMFIELD.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5231

By Mr. WALKER:

—Page 108, line 5, strike "$3,000,000" and insert in lieu thereof "$2,000,000".

—Page 108, line 6, after "Policy" strike "$5,000,000" and insert in lieu thereof "including competitiveness research, data collection, and evaluation, $4,000,000".

—Page 108, line 8, strike "$2,000,000" and insert in lieu thereof "$1,500,000".

—Page 108, strike lines 9 and 10.

—Page 110, line 7, strike "$272,500,000" and insert in lieu thereof "$230,000,000".

—Page 111, line 5, strike "$35,000,000" and insert in lieu thereof "$25,000,000".

—Page 111, line 10, strike "$1,570,000,000" and insert in lieu thereof "$400,000,000".

—Page 113, line 6, after "1994" insert the following: ", except that such amount in each fiscal year shall be limited to—

"(A) amounts derived from amounts otherwise authorized to be appropriated to the Secretary for that fiscal year; or

"(B) the amount requested, in the president's annual budget request to Congress, specifically for such Program for that fiscal year".

—Page 113, line 10, after "1995" insert the following: ", except that such amount in each fiscal year shall be limited to—

"(A) amounts derived from amounts otherwise authorized to be appropriated to the Secretary for that fiscal year; or

"(B) the amount requested, in the president's annual budget request to Congress, specifically for such Program for that fiscal year".

—Beginning on Page 12, line 3 strike all through Page 16 and renumber the subsequent sections accordingly.

—Page 8, beginning on line 4, strike all through Page 9, line 3.

—Page 9, beginning on line 14, strike all through page 11, line 18 and renumber.

—Page 18, beginning on line 10, strike all through line 8 on Page 26, and renumber the subsequent sections accordingly.

—Page 27, beginning on line 10, strike all through Page 35, line 2, and renumber the subsequent sections accordingly.

—Page 39, beginning on line 4, strike all through Page 42, line 10.

—Page 44, beginning on line 11, strike all through Page 46.

—Page 47, strike all through Page 99, line 13.

—Page 50, beginning on line 21, strike all through Page 51.

—Page 52, beginning on line 1 strike all through Page 99, line 13.

—Page 100, beginning on line 12, strike all through Page 101, line 15.

—Page 109, strike lines 11 through 23.

—Page 105, after line 10, insert the following:

"(D) develop and test criterion and methodologies for evaluating the extent to which programs established or expanded under this Act enhance United States competitiveness more effectively than would competing uses for comparable funding in the private sector.

—Page 102 beginning on line 16, strike all through Page 103, line 17.

—Page 106, line 1, strike all through Page 107, line 15.

—Page 112, line 24, after "Secretary" insert the following: ", if the Secretary certifies to the Congress that each program would enhance United States competitiveness more effectively than would competing uses for comparable funding in the private sector".

—Page 24, line 1, delete "shall" and insert "should".

—Page 25, line 7, delete "shall" and insert "should".

—Page 25, line 9, delete "shall" and insert "may".

—Page 25, line 14, delete "shall" and insert "should".

—Page 25, line 17, delete "shall" and insert "should".

—Page 25, line 18, delete "shall" and insert "should".

—Page 25, line 25, delete "shall" and insert "should".

—Page 26, line 13, delete "shall" and insert "should".

—Page 27, line 8, delete "shall" and insert "may".

—Page 42, line 6, delete "shall" and insert "should".

—Page 42, line 25, delete "shall" and insert "may".

—Page 44, line 16, delete "shall" and insert "may".

—Page 45, line 8, delete "shall" and insert "may".

—Page 45, line 16, delete "shall" and insert "should".

—Page 46, line 11, delete "shall" and insert "may".

—Page 48, line 10, delete "shall" and insert "may".

—Page 48, line 14, delete "shall" and insert "may".

—Page 48, line 25, delete "shall" and insert "may".

—Page 56, line 3, delete "there is established" and insert "the Secretary may establish".

—Page 56, line 7, delete "shall" and insert "may".

—Page 56, line 15, delete "shall" and insert "should".

—Page 57, line 8, delete "shall" and insert "may".

—Page 57, line 11, delete "shall" and insert "should".

—Page 100, line 19, delete "shall" and insert "may".

—Page 101, line 18, delete after "Board" insert "if".

—Page 101, line 19, delete "shall" and insert "may".

—Page 102, line 22, delete "shall" and insert "may".

—Page 104, line 15, delete "shall" and insert "may".

—Page 105, line 13, delete "shall" and insert "should".

—Page 8, line 21, delete "shall" and insert "should".

—Page 9, line 5, delete "shall" and insert "should".

—Page 9, line 15, delete "There is established" and insert "The Secretary may establish".

—Page 9, line 18, delete "shall" and insert "should".

—Page 9, line 18, delete "shall" and insert "should".

—Page 10, line 16 delete "shall" and insert "should".

—Page 11, line 7, delete "shall" and insert "may".

—Page 11, line 10, delete "shall" and insert "should".

—Page 11, line 14, delete "shall" and insert "may".

—Page 12, line 6, delete "shall" and insert "may".

—Page 12, line 20, delete "shall" and insert "may".

—Page 13, line 9, delete "shall" and insert "may".

—Page 16, line 3, delete "shall" and insert "may".

—Page 16, line 8, delete "shall" and insert "should".

—Page 17, line 5, delete "shall" and insert "may".

—Page 17, line 15, delete "shall" and insert "may".

—Page 18, line 13, delete "There is hereby established" and insert, "The Secretary may establish".

—Page 18, line 20, delete "shall" and insert "may".

—Page 19, line 19, delete "shall" and insert "may".

—Page 20, line 10, delete "shall" and insert "may".

—Page 20, line 22, delete "shall" and insert "may".

—Page 21, line 14, delete "shall" and insert "may".

—Page 22, line 10, delete "shall" and insert "should".

—Page 22, line 12, delete "shall" and insert "should".

—Page 22, line 16, delete "shall" and insert "should".

—Page 22, line 20, delete "shall" and insert "should".

—Page 23, line 1, delete "shall" and insert "should".

—Page 23, line 11, delete "shall" and insert "should".

—Page 23, line 15, delete "shall" and insert "should".

SENATE—*Monday, September 21, 1992*

(Legislative day of Tuesday, September 8, 1992)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Almighty God, the great prophet and law giver, Moses, understood the peril in prosperity as he wrote:

*Beware that thou forget not the Lord thy God * * *. Lest when thou has eaten and art full, and hast built goodly houses, and dwelt therein; And when thy herds and thy flocks multiply, and thy silver and thy gold is multiplied, and all that thou hast is multiplied; Then thine heart be lifted up, and thou forget the Lord thy God * * *. And thou say in thine heart, My power and the might of mine hand hath gotten me this wealth * * * thou shalt remember the Lord thy God: for it is he that giveth thee power to get wealth * * * if thou do at all forget the Lord thy God * * * I testify against you this day that ye shall surely perish. As the nations which the Lord destroyeth before your face, so shall ye perish * * *.*—Deuteronomy 8:11–14, 17–20.

Gracious, patient Lord, is it possible that this is one clue to our economic and moral dilemma? Our Founding Fathers believed in freedom of religion, but they were not antireligious. They took God seriously. We organize Him out of public life. Thomas Jefferson categorically declared, "God who gave us life gave us liberty," and then asked the penetrating question, "Can the liberties of a nation be secure when we have removed from the hearts of the people the belief that those beliefs are the gift of God?"

Eternal God, restore to us the faith of our fathers whose belief in God made America possible. In the name of Him who is Truth incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 21, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CONRAD thereupon assumed the chair as Acting President pro tempore.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. The Republican leader.

Mr. DOLE. Has leader time been reserved?

The ACTING PRESIDENT pro tempore. Leader time has been reserved.

HISPANIC HERITAGE MONTH

Mr. DOLE. Mr. President, I am pleased to join with many of my colleagues in marking the celebration of Hispanic Heritage Month.

In Kansas and across the United States, men and women are thanking Hispanic-Americans for the priceless contributions they have made to our society.

Here in the Senate, our job is not to be concerned about Hispanic-Americans for just a month, however—it's to be concerned about them for 12 months each year.

And, thanks to the hard work of Senators like ORRIN HATCH, JOHN SEYMOUR, CONNIE MACK, and JOHN MCCAIN—all cochairmen of our Republican task force on Hispanic Affairs—we are doing just that.

I might also add how proud we can be of President Bush, who has appointed more Hispanic-Americans to policymaking positions than any other President.

Of special mention are Secretary of Interior Manny Lujan, U.S. Treasurer Catalina Villalpando, and Surg. Gen. Antonio Novello.

I look forward to working with Members on both sides of the aisle as we continue to foster the advancement of the Hispanic community.

WELCOME NEWS FROM LAWRENCE WALSH

Mr. DOLE. Mr. President, there is an old saying that good things come to those who wait.

Well, along with countless other Americans, I have waited for many years for Lawrence Walsh to shut down his $32 million Iran-Contra extravaganza.

And, yesterday, we finally got some good news. Mr. Walsh has now declared that his office has completed his active investigation. And once he completes the three scheduled trials, the entire office will shut down.

Mr. President, for the sake of the American taxpayer, this news could not have come soon enough.

For 6 years, Mr. Walsh and his army of lawyers have threatened and badgered anyone they could get their hands on. And can any objective observer look at the results of the investigation and say "well done?"

The three major convictions obtained by Mr. Walsh were overturned—just as many legal scholars predicted—before this witch hunt began.

Mr. Walsh was able to force a few guilty pleas from defendants, but only because they could not possibly afford the attorneys fees which would have resulted from going to trial to defend themselves.

It has long been obvious to most objective observers that Mr. Walsh had done all he could, and that his operation should be shut down. Still, he pressed on, going down every blind alley, and pursuing more conspiracy theories than Oliver Stone.

Even Arthur Liman, the chief Senate counsel for the Senate Iran-Contra Committee said the other day that "the investigation just went on much too long."

I would not have objected to the length and uselessness of the investigation if Mr. Walsh was paying for it. But he is not. The American people are. We are.

We are still paying so Mr. Walsh can rent some of the most elaborate office space in Washington, DC.

We are still paying to fly Mr. Walsh and his chief deputy, Craig Gillen, back and forth from Oklahoma City and Atlanta each week.

We are still paying for their hotel rooms in Washington.

We are still paying for their meals here in Washington.

And do not let Mr. Walsh's statement about closing down fool you. We are going to keep on paying for them for a long time. Mr. Walsh will not close down shop until three ongoing matters are disposed of at trial.

And Mr. Walsh has taken us down this road before. In September of 1990, he said that spring of 1991 would be a good time to end his investigation.

Spring of 1991 and 1992 have come and gone, and so have millions and millions of your tax dollars; and I would not be surprised if Mr. Walsh will still be spinning his wheels and spending our money in the spring of 1993.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

I hope that before Mr. Walsh does close his doors, this advocate of full disclosure will fully disclose the complete expense records of his office. The American people deserve to know how their money was spent—and, in some cases, misspent.

SENATOR ALAN CRANSTON

Mr. DOLE. Mr. President, as Senators know, the majority leader has expressed his intention to move for adjournment the first week of October.

There is much work to be done before then, but as we rush to adjournment, we should also take a few minutes to salute our colleagues who will not be returning next January.

Over the next several weeks, I will be using a few minutes of my leader time to salute these eight Senators. And I want to begin today with the senior Senator from California.

At first glance, it might appear that no two Senators have less in common than BOB DOLE and ALAN CRANSTON. One of us represents the relatively small State of Kansas; the other, the Nation's largest State.

One of us is a conservative—and proud of it; the other, a liberal—and proud of it.

But the fact is that Senator CRANSTON and I have a great deal in common.

Both of us were first elected to the Senate in 1968. Both of us served our country in World War II. Both of us share a commitment to America's farmers, and America's veterans.

And both of us have learned more about prostate cancer than we ever thought we would need to know.

Senator CRANSTON's retirement from the Senate will draw to a close a remarkable three decades of service to his beloved home State.

Prior to coming to the Senate, Senator CRANSTON served for 8 years as State controller of California.

In 1968, the voters sent him to Washington, DC, and they have done so in three successive elections.

Winning six statewide elections in a State as large and diverse as California is a sign not only of a good campaigner, but also of a hard-working Senator.

It is worth mentioning that during Senator CRANSTON's 24 years of service in the Senate, 5 people filled California's other Senate seat.

Senator CRANSTON might disagree, but I think the most enjoyable years of our service together were the ones where I served as majority leader, and he served as minority whip.

During those years, I came to know Senator CRANSTON, as an eloquent advocate for his party, a skilled vote-counter, someone who gave as good as he got, and someone whose word could always be trusted.

And though Senator CRANSTON is retiring from the Senate, I am confident he will still speak his conscience on issues of importance to California and America for many years to come.

NATIONAL VOTER REGISTRATION ACT OF 1992

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the veto message on S. 250, which the clerk will report.

The legislative clerk read as follows:

To the Senate of the United States:

I am returning herewith without my approval S. 250, the "National Voter Registration Act of 1992."

This Administration strongly supports the goal of increasing participation in the electoral process. We have worked with leaders of both parties in an attempt to produce legislation that would accomplish that purpose. S. 250, however, would impose unnecessary, burdensome, expensive, and constitutionally questionable Federal regulation on the States in an area of traditional State authority. It would also expose the election process to an unacceptable risk of fraud and corruption without any reason to believe that it would increase electoral participation to any significant degree.

No justification has been demonstrated for the extensive procedural requirements—and significant related costs—imposed on the States by this bill. The proponents of S. 250 simply have not made the case that requiring the States to make voter registration easier will translate into increased voter participation at the polls. Indeed, a recent study by the Federal Election Commission suggests that registration requirements have no significant effect on participation rates. In addition, to the extent that State registration requirements discriminate against minority groups, the Voting Rights Act already provides an adequate remedy.

S. 250 would exempt from compliance with its requirements any State adopting an election day registration system. This exemption could create a compelling incentive for a State to adopt such a system, under which verification of voter eligibility is difficult. Thus, the bill would increase substantially the risk of voting fraud. It would not, however, provide sufficient authority for Federal law enforcement officials to respond to any resulting increases in election crime and public corruption.

It is critical that the States retain the authority to tailor voter registration procedures to unique local circumstances. S. 250 would prevent the States from doing this by forcing them to implement federally mandated and nationally standardized voter registration procedures. It would also restrict severely their ability to remove from the voter rolls the names of persons who have not voted in several years and who thus can be presumed fairly to have died or moved out of the jurisdiction. Enactment of S. 250 would deny the States their historic freedom to govern their own electoral processes and would contravene the important principles of federalism on which our country was founded.

S. 250 is constitutionally suspect. Although the Supreme Court has recognized that the Congress has general power to regulate Federal elections to the extent necessary to prevent fraud and preserve the integrity of the electoral process, there has been no suggestion that S. 250 would serve that goal. Nor has there been any showing that the bill is necessary to eliminate discriminatory practices. Accordingly, there is a serious constitutional question whether the Congress has the power to enact this legislation.

I support legislation that would assist the States in implementing appropriate reforms in order to make voter registration easier for the American public. I cannot, however, accept legislation that imposes an unnecessary and costly Federal regime on the States and that is, in addition, an open invitation to fraud and corruption.

For the reasons discussed above, I am returning S. 250 without my approval.

GEORGE BUSH.

THE WHITE HOUSE, *July 2, 1992.*

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 1 hour of debate on the message, to be equally divided between the senior Senator from Kentucky [Mr. FORD] and the junior Senator from Kentucky [Mr. MCCONNELL].

The Senator from Kentucky [Mr. FORD] is recognized.

Mr. FORD. Mr. President, today, we begin a debate that I had hoped would not have been necessary—a debate on whether the Congress should override the President's veto of S. 250, the National Voter Registration Act of 1992.

Throughout his administration, President Bush has vetoed several pieces of legislation. And of all those vetoes, this one reveals his shallow commitment to expanding democracy right here at home.

Mr. President, the expansion of the right to participate in democracy is the fundamental purpose of S. 250. And it is the fundamental issue to be considered in this debate.

Throughout this debate, opponents to this bill will argue that S. 250 will create opportunities for fraud and pass along unfunded mandates to the States. These are the same arguments that were raised by President Bush in his veto message. But, Mr. President, these are really nonissues.

The real issue is whether we are going to have universal registration procedures that will enfranchise every eligible citizen, regardless of race, income, geographic locality, or physical ability.

At a time when this Nation is taking the lead to expand and secure democracy abroad, the issue for this Congress to consider is whether we are going to expand and secure democracy here in the United States.

As former President Carter wrote in the Los Angeles Times on June 18, 1992, President Bush had a chance to strike a blow for democracy without sending troops to a distant country or asking the Congress for billions of dollars in foreign aid. All he had to do was to sign the motor-voter bill.

The right to vote—the right to participate in our democracy—begins with registration. If you are not registered, you cannot vote. As President Carter noted in his article, when nonvoters were asked why they did not vote in the 1988 Presidential election, only 17 percent said they did not like the candidates or they just did not care. The most common reason given by 37 percent was that they could not vote because they were not registered.

The motor-voter bill is one-stop democracy. It creates a simultaneous application process when you apply for or renew your drivers license. And it assures that once you are registered, your name will remain on the rolls, so long as you remain eligible to vote.

So, why would President Bush veto this legislation? Quite frankly, Mr. President, I think President Bush vetoed this legislation out of fear. Let me repeat that. I think President Bush vetoed this legislation out of fear—fear of changing the status quo; fear of the American people.

I know that the President has submitted his reasons for vetoing this legislation. But these are the same reasons that were raised when the right to vote was extended to women. These were the same reasons used to oppose the Voting Rights Act of 1965; the same reasons used against extending the right to vote to 18-year-olds; and the same reasons used against legislation which removed physical barriers to make the polling place accessible to the elderly and the disabled.

Those arguments were wrong then, and they are wrong today.

This veto sends a message that President Bush does not trust the American people. At the same time that he was calling for the Congress to support the Russian aid bill—to stabilize democracy in the former Soviet Union—he vetoed a bill to enrich democracy here at home.

We can send a message back to the President by overriding this veto. We can expand democracy right here at home by supporting S. 250. And we, the Congress, can send a message that we trust the American people.

Having said all this, Mr. President, let me address the points raised by President Bush's veto message.

First, let me say that I am somewhat troubled by the President's statement that he and his administration have worked with leaders of both parties in an attempt to produce legislation that would accomplish the purpose of increasing participation in the electoral process. Mr. President, as the principal sponsor of this legislation, I cannot recall a time that I was contacted by any member of the President's administration on this or any other bill about increasing voter participation.

President Bush summarized his opposition to this bill by saying that "S. 250, * * * would impose unnecessary, burdensome, expensive, and constitutionally questionable Federal regulation on the States in an area of traditional State authority. It would also expose the election process to an unacceptable risk of fraud and corruption without any reason to believe that it would increase electoral participation to any significant degree."

Mr. President, President Bush just cannot see the forest through the trees. Both Senator HATFIELD and I have stated on numerous occasions that S. 250 does not guarantee that there will be an increase in electoral participation. The motor-voter bill can—and I underscore "can"—guarantee that almost every eligible citizen will be registered so that they can participate.

The key to electoral participation in this country is voter registration. If you are not registered, you cannot vote. S. 250 guarantees that registration requirements throughout the country will be uniform and convenient for all citizens. It eliminates the hurdles and barriers to full participation that are currently in place.

There are a number of reasons why voters are not voting. Not all of them can be corrected through legislation. But the confusing maze of registration requirements in the States can be simplified and made convenient for all citizens.

Opponents to this legislation have argued that we should not be concerned about low voter turnout. They claim that low voter turnout is a sign of public contentment. But if you believe that, I have a bridge I want to sell you.

The reality is that approximately 34 percent of the voting age population is not registered to vote. Seventy million American citizens are currently unable to exercise their fundamental right to vote because they are not registered. Unless we can assure universal registration, there will not be an increase in voter participation. It is just that simple.

I would also say to the opponents of this legislation who are content with low voter turnout, that they are in a minority. Just a few weeks ago, prior to the August recess, 44 Secretaries of State announced plans to hold a nationwide series of townhall meetings on increasing voter participation.

As reported in the Washington Post, the National Association of Secretaries of State launched Project Democracy to find local initiatives that increase the interest in elections among those who do not vote and convince them that voting is not a spectator sport. I commend this organization for its outstanding work in trying to get more people involved in the process.

That is what motor-voter is all about. It is about getting people involved in the process by getting them registered to vote.

President Bush referred to a study conducted by the Federal Election Commission which he suggests demonstrates that registration requirements have no significant effect on participation rates. Mr. President, I am unaware of any report by the FEC that made such conclusions. In fact, the report that the President referred to is nothing more than a statistical report on registration and turnout in Presidential elections. The FEC did not make any conclusion on the impact of voter registration requirements and voter turnout.

But, Mr. President, a CRS study on registration and turnout did conclude that motor-voter is an effective means of increasing the number of registered voters.

In a February 1990 report which analyzed registration and turnout statistics, CRS concluded the following:

States with motor-voter registration have higher registration rates than States without such systems in all election years, including Presidential and non-Presidential elections.

States with motor-voter registration systems consistently have a higher percentage of their voting age populations turning out to vote than did States without such registration systems.

Mr. President, it is indisputable that motor-voter will increase the number of registered voters. And there are significant indications that most of those who are eligible to vote, do so. Very simply, Mr. President, registered voters do vote.

President Bush also stated that to the "extent that State registration requirements discriminate against minority groups, the Voting Rights Act already provides an adequate remedy."

Motor-voter is not about eliminating discriminatory practices aimed at minority citizens. It is about eliminating the registration practices that affect all citizens. S. 250 will eliminate the complex maze of hoops and ladders that confront any citizen who wishes to register.

Recently, USA Today published statistics available from the Federal Highway Administration and the U.S. Census Bureau. These statistics show that 68.4 percent of 18-year-olds have a drivers license. But, only 27.5 percent of those same 18-year-olds were registered to vote. They would have all registered had we had the motor-voter.

This is one large segment of our population that motor-voter will reach.

We need to register our young people. We need to get them involved in the process.

Today, the burden of registering to vote is on the citizen. Why shouldn't that burden be shifted? It should be the role of government and elected officials to make sure that every eligible citizens who wishes to register to vote is registered. That is what S. 250 does. It shifts the burden to the government to make registration convenient and accessible to all eligible citizens.

In fact, Mr. President, listen to the words of David Orr, the county clerk of Cook County, IL:

As the Clerk of Cook County, Illinois, I am responsible for the conduct of elections and voter registration in suburban Cook County—the second largest county in the Nation. Of all the factors that discourage voting, the easiest to remedy are cumbersome registration procedures. The National Voter Registration Act will remove unnecessary barriers to citizen participation. It will reach more than 90 percent of eligible voters. It will help me do the job I was elected to do.

Mr. President, this is the clerk of the largest urban county in this country.

Mr. President, if we truly believe in representational government, where the right to vote is a fundamental right of citizenship, why should the right to vote be encumbered by the individual's responsibility to register?

As was noted in an editorial that appeared in the Pittsburgh Post-Gazette:

This increasingly mobile nation has left too much to chance in enrolling people in the democratic process. In an era of fast food, instant gratification and see-it-now TV, it's appalling that government requires people to jump through hoops and scale ladders to register to vote. What the United States needs is an active voter-registration policy, one that is bent on including people rather than leaving certain ones out.

Mr. President, motor-voter will create an active voter registration program that shifts the burden of registering from the citizen, and make it an affirmative act of the government. It should be the responsibility of the government to make sure that every eligible citizen is registered to vote.

Another reason that President Bush cited for his veto of S. 250 is the exemption for States which have election day registration. According to the President, "this exemption could create a compelling incentive for a State to adopt such a system, under which verification of voter eligibility is difficult." As a result, the President concluded that "the bill increase substantially the risk of voting fraud."

This is one of the weakest arguments made against the bill. The President vetoed this legislation out of a fear that it would lead States to adopt election day registration. This fear is totally unsubstantiated.

I want to make it very clear, the purpose of this legislation is to provide a system of uniform and convenient voter registration, while at the same time, protecting the integrity of the electoral process. The hallmark of a national voter registration system is the maintenance of accurate and up-to-date registration lists. The registration process is necessary to provide a meaningful verification of voter eligibility. Mr. President, nothing in this bill compels a State to have election day registration.

The argument that S. 250 opens the way for fraud is an argument that I have heard every time this bill is discussed. If only the President and his advisers had actually read the bill, they would see that it includes several proven and effective measures against fraud.

This bill contains Federal criminal penalties for registration and vote fraud, the same penalties as in the Voting Rights Act of 1965.

S. 250 also requires the following protections against fraud:

Every application for registration must contain a written attestation clause which sets forth all eligibility requirements to vote, including citizenship;

The signature of the applicant under penalty of perjury;

Each applicant must be given notice of the disposition of his or her voter registration application; and

The State may require by law that a first-time voter who registers by mail make a personal appearance to vote.

Mr. President, these are proven and effective safeguards against fraud. Today, 27 States and the District of Columbia have some form of motor-voter registration. And none of these States has reported any incidents of fraud. Motor-voter is safe and effective.

Twenty-seven States and the District of Columbia have mail registration. When the State of Mississippi became the 27th State to adopt mail registration, its Secretary of State, Dick Molpus—who recently concluded his term as president of the National Association of Secretaries of State—conducted a study of States with mail registration. His study found no evidence of fraud with mail registration. He concluded that mail registration is effective and safe.

Mr. President, as it was noted by Anna Quindlen in the New York Times, the fraud is not in the bill, it is in the veto.

President Bush has also cited his concern for States rights in his veto message. This is another weak argument against this bill because it is the confusing patchwork of State rules and regulations that are preventing citizens from getting to the ballot box and protecting the status quo.

Mr. President, S. 250 does not limit a State's ability to tailor voter registration programs to unique local circumstances. Rather, S. 250 provides flexibility for the States to develop their registration programs to meet their specific concerns.

S. 250 has been specifically drafted to provide basic elements of the registration process, while at the same time permitting States to develop procedures to satisfy their specific concerns.

For example, the bill requires that every applicant must receive notice of the disposition of his or her application. But the bill does not mandate how that notice must be given.

In addition, States may require by law that first-time voters who register by mail make a personal appearance to vote. Mr. President, this personal appearance requirement is not a mandate. It permits the States to determine, based on their experience, whether such a personal appearance is necessary.

Contrary to President Bush and his advisers, S. 250 does not restrict the rights of the States to remove the name of a voter from the voter rolls. S. 250 provides that you cannot remove a person's name based on that person's failure to vote.

But, each State is required to conduct a general program that makes a reasonable effort to remove the names of ineligible voters from the official lists of eligible voters by reason of death or a change of residence. One way that the State can meet this obligation is by using the Postal Service's National Change of Address Program.

Mr. President, the President's veto message also addressed the historical role of the States with respect to conducting the electoral process, as well as his belief that S. 250 is constitutionally suspect.

I am well aware that many have questioned the Congress' authority to develop national voter registration procedures for Federal elections. Mr. President, the States have by tradition regulated the manner in which voter registration and elections are conducted. However, that does not preempt the right of the Congress to fix the manner in which Federal elections are conducted.

Mr. President, article 1, section 4, clause 1 of the Constitution states:

The Times, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congress may at any time by Law make or alter such Regulations, except as to the Places of choosing Senators.

As many of my colleagues know, I am not a lawyer. And I do not pretend to understand constitutional and Supreme Court interpretations. But on this point, it seems to me that this language is very simple. It gives the Congress the authority to enact legislation like the National Voter Registration Act of 1992.

Because my conclusion may not satisfy my colleagues, I had the Library of Congress prepare a legal memorandum on the constitutionality of this bill. Let me just quote from the concluding paragraph of this memorandum:

Under the Constitution and Supreme Court rulings, Congress has the power to regulate federal elections, including the establishment of national voter registration procedures for presidential and congressional elections as set forth in S. 250. Congress' power has been clearly established under the Times, Places and Manner clause and the Necessary and Proper clause of the Constitution. These provisions of the Constitution, as interpreted by the Supreme Court, demonstrate that Congress has broad power and authority over federal elections, including the regulation of voter registration procedures, and the states do not have exclusive authority to regulate the manner in which elections are conducted.

Mr. President, I ask unanimous consent that this memorandum be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FORD. Mr. President, I believe that this bill is constitutionally sound. Congress has the authority to enact this legislation. Most importantly, the Congress has a duty to enact this legislation.

Mr. President, voter turnout is steadily declining. Our democracy is in danger. We need to do something to turn this trend of declining participation around. One of the easiest remedies is to eliminate the cumbersome registration procedures that deter people from voting.

It may well be that low voter turnout is a symptom of voter frustration. But it is wrong for us to stand here and blame voter frustration, while at the same time we do nothing to eliminate the frustrating procedures which are preventing people from getting to the ballot box.

S. 250 encourages full participation and involvement in the most important part of our representative form of government—the election of our leaders at all levels of government.

S. 250, in the words of the New York Times "honors democracy by making it simple and convenient for all Americans to register to vote."

I urge my colleagues to honor democracy by voting to support S. 250. This is a bill that deserves the support of every person who believes that the fundamental right of citizenship in a democracy is the right to vote. For this reason alone, President Bush should have signed this legislation. For this reason alone, every Member of this Congress should vote to override the veto.

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, May 5, 1991.

To: Senate Committee on Rules and Administration Attention: Thomas E. Zoeller, Counsel.

From: American Law Division.

Subject: Constitutionality of the "National Voter Registration Act of 1991," S. 250, 102d Cong., 1st Sess., Providing For National Voter Registration Procedures For Federal Elections.

This memorandum responds to your request for a discussion of the constitutionality of the "National Voter Registration Act of 1991," S. 250, 102d Cong., 1st Sess., introduced by Senator Ford, providing for national voter registration procedures for federal elections. As you requested, this memo specifically addresses the arguments proffered by the Department of Justice in a letter to Senator Ford, dated April 17, 1991, and in the Department's analysis of S. 250, in which the Department questioned the constitutionality of this legislation.

I. MAJOR PROVISIONS OF S. 250

As stated in Section 2 of S. 250, the purpose of the bill is to increase voter registration, enhance voter participation, protect the integrity of the political process, and assure accurate voter rolls. To that end, if enacted, S. 250 would require that the states, in addition to any other method for voter registration provided for by state law, establish procedures to permit voter registration in the following manners: (a) simultaneously with an application for a driver's license (Section 5); (b) by mail application (Section 6); and (c) by application in person, either at an appropriate registration office, or at a Federal, State or private sector location (Section 7). It would not apply to states without a voter registration requirement for election to federal office or to states which permit voter registration at the polling place on the day of a general election (Section 4). It would also prohibit states from removing the names of voters from the registry solely for failure to vote (Section 8).

Further, it would authorize the Federal Election Commission to coordinate all federal functions and prescribe regulations (Section 9); it would require each state to designate a chief state election official to coordinate all state functions (Section 10) and it would provide for civil enforcement, private right of action (Section 11), and criminal penalties (Section 12).

II. CONSTITUTIONALITY OF S. 250

A. Constitutionality of the proposal to establish national voter registration procedures for congressional elections

S. 250 would provide for national voter registration procedures which would apply to all congressional elections. The Department of Justice contends that "while Congress has some authority to preserve the integrity of the federal election process by taking steps to prevent fraud, it cannot encroach upon the exclusive power of the states to regulate the manner in which elections are conducted."[1] The concerns of the Department can be easily disposed of by considering the language and Supreme Court interpretation of the Times, Places and Manner Clause of the Constitution.[2] Under this clause, Congress has been granted explicit authority to regulate congressional elections. The states do not have *exclusive* authority over elections:

"The Times, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congress may at any time by Law make or alter such Regulations, except as to the Places of chusing Senators."[3]

As the Department of Justice notes, under this constitutional provision, Congress may enact laws that secure the integrity of the election process from violence, corruption, and fraud.[4] However, the power of Congress under this clause is not limited to only these areas. Under the Times, Places and Manner Clause, Congress could even enact legislation establishing a complete code for congressional elections containing provisions for the times and places of elections, registration of voters, supervision of voting, protection of voters, prevention of fraud and corruption, counting of votes, duties of inspectors and canvassers, and the compilation and publication of election returns.[5]

In *United States v. Classic*,[6] the Supreme Court clearly held that the right of the people to choose representatives in Congress is "a right established and guaranteed by the Constitution."[7] It is a right derived from the states, the Court explained, only in the sense that the Constitution authorizes states to legislate on the subject under Article I, Section 2. The Court declared, however, that this power of the states *only exists to the extent* that Congress has not restricted state action by exercising its authority to regulate elections.[8]

Hence, although the Department correctly asserts that S. 250 is not designed to prevent fraud, corruption, or eliminate any discriminatory practices, this distinction seems meaningless in view of Congress' unlimited power over congressional election procedures. Congress' authority to enact a uniform voter registration law for congressional elections is well established under the Times, Places and Manner Clause.

B. Constitutionality of the proposal to establish national voter registration procedures for Presidential elections

Another provision in the Constitution grants Congress broad authority over presidential elections. Article II, Section 1, Clause 3 provides:

"The Congress may determine the Time of chusing the [presidential] Electors, and the Day on which they shall give their Votes; which Day shall be the same throughout the United States."[9]

In response to the argument that Article II, Sec. 1 limits the power of Congress to that of determining the "time of choosing electors, and the day on which they shall give their votes," in *Burroughs and Cannon v. U.S.*, the Court declared, "So narrow a view of the powers of Congress in respect of the matter is without warrant."[10] The Court reasoned:

"While presidential electors are not officers or agents of the federal government [*In re Green*, 134 U.S. 377, 379], they exercise federal functions under, and discharge duties in virtue of authority conferred by, the Constitution of the United States. The President is vested with the executive power of the nation. The importance of his election and the vital character of its relationship to and the effect upon the welfare and safety of the whole people cannot be too strongly stated. To say that Congress is without power to pass appropriate legislation to safeguard such an election from the improper use of money to influence the result is to deny to the nation in a vital particular the power of self protection. Congress, undoubtedly, possesses that power, as it possesses every other power essential to preserve the departments and institutions of the general government from impairment or destruction, whether threatened by force or by corruption."[11]

C. Constitutionality of the proposal to establish national voter registration procedures for all Federal elections under the necessary and proper clause

The Necessary and Proper Clause of Article I, Section 8, Clause 18 of the Constitution

Footnotes at end of article.

also empowers Congress with the authority to enact laws regulating federal elections.[12]

"The Congress shall have Power * * * To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof." [13]

In the 1970 *Oregon v. Mitchell* decision,[14] five separate opinions supported the constitutional authority of Congress to enact election laws regulating federal elections. There, the Court upheld the constitutionality of a federal statute barring a state from denying the right to vote in any election because of a literacy test and of a federal statute banning durational residency requirements. As Justice Stewart wrote, "These cases and others establish that Congress brings to the protection and facilitation of the exercise of privileges of United States citizenship all of its power under the Necessary and Proper clause." [15] Consequently, he concluded that the Constitution permits Congress to enact statutes protecting the fundamental right to vote. "We should strive to avoid an interpretation of the Constitution that would withhold from Congress the power to legislate for the protection of those constitutional rights that the States are unable effectively to secure." [16]

III. CONCLUSION

Under the Constitution and Supreme Court rulings, Congress has the power to regulate federal elections, including the establishment of national voter registration procedures for presidential and congressional elections as set forth in S. 250. Congress' power has been clearly established under the Times, Places and Manner Clause and the Necessary and Proper Clause of the Constitution. These provisions of the Constitution, as interpreted by the Supreme Court, demonstrate that Congress has broad power and authority over federal elections, including the regulation of voter registration procedures, and that the states do not have exclusive authority to regulate the manner in which elections are conducted. Hence, it appears that the provisions of S. 250 would withstand any serious constitutional challenge.

L. PAIGE WHITAKER,
Legislative Attorney.

FOOTNOTES

[1] U.S. Department of Justice, Department of Justice Analysis of S. 250, p. 1 (copy on file with the Senate Committee on Rules and Administration and the author). *See also*, Letter from W. Lee Rawls, Assistant Attorney General, to Senator Wendell H. Ford, Chairman, Senate Committee on Rules and Administration (April 17, 1991) p. 1–2 (presenting the views of the Department of Justice concerning S. 250, the National Voter Registration Act of 1991).

[2] U.S. Const. art I, §4, cl. 1.

[3] *Id.*

[4] *See, e.g.*, Burroughs and Cannon v. United States, 290 U.S. 534, 657–58 (1934) (holding that Congress has the power to enact laws protecting federal elections from corruption); Ex Parte Yarbrough, 110 U.S. 651, 657–58 (1884) (holding that Congress has the power to enact laws protecting federal elections from violence and fraud).

[5] Smiley v. Holm 285 U.S. 335, 366–67 (1932) (holding that Congress may supplement state election laws or enact its own since it ". . . has a general supervising power over the whole subject."). *See also*, Newberry v. United States, 256 U.S. 232 (1921).

[6] 313 U.S. 299 (1941).

[7] *Id.* at 314.

[8] *Id.* at 315.

[9] U.S. Const. art II, §1, cl. 3.

[10] 290 U.S. 534, 544 (1933).

[11] *Id.* at 545.

[12] U.S. Const. art. I, §8, cl. 18.

[13] *Id.*

[14] 400 U.S. 112 (1970).

[15] *Id.* at 286. *See also*, United States v. Classic, 313 U.S. 299, 315 (1941) (holding that in addition to its power to regulate elections under Article I, Section 2 of the Constitution, Congress also is empowered to regulate elections under the more general provision of the Necessary and Proper Clause).

[16] *Id.* at 292.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Is there further debate?

Mr. McCONNELL addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, at the outset, I want to commend my colleague from Kentucky for the hard work he has done on this legislation over the years.

In fact after due deliberation, I came down on the opposite side. But I appreciate the time and effort that he has put into this issue. He has been dogged in his determination to see it passed.

So I commend him for that.

Mr. President, "standing up for democracy"—a pet phrase of this bill's proponents—sometimes entails casting unfashionable votes, or in the case of the President, unfashionable vetoes.

That is what President Bush did when he vetoed the motor-voter bill. He stood up for democracy. That is why his veto on the eve of the Fourth of July was perfect timing. Was it the politically correct thing to do? Of course not. Was it the right thing to do? Absolutely.

In a perfect society, all citizens would take an interest in public affairs and vote faithfully. Unfortunately, wishing will not make it so. And neither will the motor-voter bill.

Granted motor-voter would register more people. There is no question about that. But it would not drive them to the polls on election day. In other words, as the bill's sponsors finally admitted motor-voter will not increase voter turnout. Instead, motor-voter will make States spend money they do not have and lead to increased vote fraud. This is too high a price for any democracy to pay in the quest for higher turnout.

It is important to note, Mr. President, that in the bill, if a State chooses for whatever reason, cost, for example, not to implement the motor-voter plan, they go to same day registration.

As both the teacher and a student of this issue over the years on the question of voter turnout, I can tell you that it is a clear correlation between where you live in the country and whether or not you participate in election day shenanigans.

I believe the occupant of the chair comes from a State where people just sort of show up on election day and vote. As far as I know, there has been no history of election fraud in North Dakota. Unfortunately, in other parts of the country, the tradition is quite different.

So there has been some flexibility throughout our history in crafting local election laws to deal with the mores and the culture of difference sections of the country where cheating is quite common. I am absolutely certain that same day registration would not work in a State like Kentucky; that is, not if we want to have everybody's vote count the same as everybody else that chose to participate.

After all, that is an important part of democracy too—to make sure when you cast your vote, it is not counted any more or any less than anyone else that took the trouble to come out and participate.

The most inane argument in support of motor-voter is that the present hodgepodge of State laws somehow makes registration exceedingly complicated and difficult. This hodgepodge is really not a problem unless one desires to vote in multiple States—an illegal act known as vote fraud.

Finally, the motor-voter bill is another in a long line of unfunded Federal mandates thrust on the States by a Congress unwilling to make tough fiscal decisions here in Washington. Once again, we see a debt-ridden Congress writing blank checks on the accounts of State government who must by law balance their budgets. The buck stops at the States and eventually something has to give—human services, police, and fire protection or something else.

The cruel irony of the motor-voter bill is that it requires States to register voters at public assistance agencies, while draining away funds for public assistance.

Motor-voter's sponsors claim their bill would not really cost that much. If so, Congress should figure out a way to pay for it other than dumping the responsibility on the States. If the costs are insignificant, we ought to pick up the tab for this effort.

If, in fact, it would cost hundreds of millions, as both Democratic and Republican State officials contend, then the bills sponsors should muster the courage to pay for it. For Congress to dodge the cost issue altogether by sticking it to the States is irresponsible, but certainly not unusual.

Aside from obligations regarding cost and fraud there is another central question: Why do this?

The motor vote bill is a solution in search of a problem. Registering to vote in any State is not an onerous task. At most, it requires just a passing interest in voting 30 days prior to the election. Is that too much to ask? If it is, then this society has indeed become pathetically lazy and unappreciative of the sacrifices previous generations made to secure our democracy.

Even if we tailor our voter registration laws to political couch potatoes, there is no guarantee that voter turnout will increase. All this bill guarantees is it will have a lot of people on the voter rolls. It will do that.

Mr. President, over the last 30 years, voter registration has become steady and significantly easier. In the meantime, interestingly enough, turnout has become steadily and significantly less. History does not argue in favor of motor-voter.

The Congressional Research Service studied 10 States with motor-voter registration. Their conclusion was that there was no evidence that motor-voter increased voter turnout.

The General Accounting Office studied why voter turnout is so high in certain European and Latin American countries. Conclusion: coercion and bribery are the only sure means of increasing voter turnout.

Finally, I might say parenthetically, the countries with the highest voter turnout are the ones where you are fined if you do not participate. It has an incredible impact on turnout. If you do not turn out, you get a fine. I do not think we ought to do that in this country. It seems to me you have a right not to participate without being zapped with some penalty.

But that is the common thread running through the very high voter turnout countries, and interestingly enough, by all accounts, the most content democracy in the world, Switzerland, has the lowest voter turnout.

It is pretty clear to this Senator that turnout is connected with how interested you are in the election. We have one classic example here in the country, very recently, that I think pretty well proves the point. That was the Louisiana Governor's race between David Duke and Edward Edwards, 80 percent turnout. Why did the people of Louisiana come out in such huge numbers? Because they thought that election made a difference in their lives, and in their State. I predict that we will have a high turnout this year. I do not know that, but I think there is a good deal of discontent out in the country. We hear that expressed all the time. I think that will be expressed in a voter increase, and not a decrease in the election turnout. Nevertheless, there is only one thing that would guarantee a high turnout, and that is fining people. I am not, and I know the sponsors of this bill are certainly not advocating this.

Finally, the bipartisan committee on the study of the American electorate, voter registration and turnout. Conclusion: Declining voter participation cannot be attributed to problems in registration and the voting law. I repeat, we have been gradually loosening and making more easy both registration and voting over the last 30 years, and turnout has gone down. There is no correlation between throwing a bunch of people on the rolls and increasing turnout. The motor-voter bill is illustrative of the Congress' deplorable tendency to pass feel good legislation of dubious merit, without facing up to the cost factor. The bill is political malpractice. The President's veto should be sustained.

Mr. President, in looking at the report of our committee, the Rules Committee, on this bill, referral to page 35, says: Some witnesses before the committee asserted that registered persons vote at high percentages, as high as 80 and 90 percent. Those witnesses assumed, therefore, that voter turnout would be increased simply by registering more voters.

In support of the proposition, a CBS-New York Times poll of nonvoters in the 1988 election was cited. In that poll, one-third of the nonvoters said they did not vote because they were not registered. The response to the next question in the same poll, however, was not discussed. When asked why they were not registered, 97 percent of the nonvoters gave reasons other than—I repeat, other than—problems in registering; 56 percent could not give a reason, or said they had no interest in the election.

In other words, voter registration procedures did not deter potential voters.

Mr. President, I reserve the remainder of my time.

Mr. DOLE. Mr. President, as Yogi Berra once said, "it's deja vu all over again."

We have debated this issue again and again. We know the arguments so well, that there is really no need for debate.

And the Senate knew when we passed this bill exactly what was going to happen.

My friends on the other side of the aisle knew the President could not sign this turkey.

They knew that this bill would do absolutely nothing to increase voter participation.

And, they knew that what this bill would really increase was the costs of elections to our financially strapped States.

They knew that eight States, including my State of Kansas, estimated that the total cost of complying with this bill's requirements would be $80 million. The total cost for all 50 States would obviously be much higher.

As I said when we debated this legislation, we have a law here in Congress now, where if someone proposed a new program, they also have to find the money for it.

I think it would only be fair to apply that same law to this bill.

I ask my friends on the other side of the aisle, how would you like the States to pay for this legislation? Do you want them to cut their education budgets? How about their child nutrition programs? Or maybe we should just tell them to raise their State taxes, and pass the costs along to the taxpayers.

The President's veto will be sustained, and the status quo will remain. And the sad thing, Mr. President, is that this did not have to happen.

During debate on this legislation, Senator STEVENS and I offered a substitute which would provide grants to States to help them set up motor-voter programs.

Our substitute was more flexible, cost far less, beefed up Federal and State efforts to combat election fraud and public corruption, and—most importantly—it would have been signed into law by the President.

But as we have seen so many times before on issues such as campaign finance, and products liability, having meaningful reform signed into law by the President is not the goal of the Democrats.

Though the Democrats speak of reform, in the final analysis, they remain committed to the status quo.

Mr. FORD. Mr. President, I yield 10 minutes to the distinguished Senator from Oregon, [Mr. HATFIELD].

Mr. HATFIELD. Mr. President, once again, I am pleased to join the many who support S. 250, the National Voter Registration Act and have been a very proud cosponsor of this bill from its beginning.

This motor-voter bill, Mr. President, comes back to us today as a bill that has been vetoed by the President. I very reluctantly stand in opposition to the President on this matter; yet, my convictions require me to do so. I believe we have the ability in this bill to improve access to voter registration systems all across this country, and I urge my colleagues to vote to override the President's veto.

The alarming decline to voter registration and voter participation witnessed in the United States in the past decade demands our attention. In 1988, only one-half of this Nation's eligible population took part in electing a new President. During the 1980 congressional elections, a turnout of eligible voters was 36 percent—the lowest since 1942, and the second lowest since 1798. These dismal statistics must be addressed, and I believe that S. 250 is a significant step—not a panacea—but a significant step toward opening the doors to the electoral process for all Americans.

The concept of easing voter registration by linking registration to the driver's license procedure in each State is a simple and extremely effective solution. It makes good sense and with the appropriate fraud protection in place, it will provide a much-needed update to our current system, a system which is neither yielding the results nor the opportunities that we all expect from it.

Like many of my colleagues, I am always weary of the Federal Government impinging on States rights. This bill does address a subject traditionally left to the States. However, it is crafted to provide great flexibility to the States

in implementing new registration procedures. It will be more convenient, more accurate, and more cost effective than our current system, once it is fully implemented.

Motor-voter will also bring a greater degree of uniformity to voter registration throughout the country and it should not be any more difficult to register to vote in one State than it is in another. But, unfortunately, our country suffers from a patchwork of registration restrictions and regulations, which vary greatly from State to State. States which have already adopted a motor-voter procedure have found that it provides a number of important advantages, both for citizens and election officials, based upon experience of both Republican and Democratic election officials.

Motor-voter provides a convenient, accessible method of registering to vote while maintaining personal contact with the applicant and the registrar. Most States maintain dozens of driver licensing outlets which are accessible to both rural and urban areas.

No. 2: Motor-voter will be especially productive to registering hard-to-reach groups, such as young people, most of whom have a driver's license but do not have a voter registration card. It will also reach out to those who move within a State or into a new State. Approximately 25 percent of the American people move every year. The drivers licensing office is one of the first places they visit when they change residences.

No. 3: Motor-voter provides protection against fraud and abuse by connecting the licensing and voter registration systems Federal, State, and local election officials will have several new cross checks and auditing tools to protect the integrity of the registration process. This will be the only form of voter registration in which the applicant's picture is taken as an example.

No. 4: Motor-voter will keep registration lists accurate and up-to-date. The technologically advanced features of this system will ensure that the rolls are updated on a regular basis, purged and kept updated.

No. 5: Motor-voter is cost effective. States which have implemented it have found it offers a lower per-transaction cost than any other form of registration.

Mr. President, I am convinced that S. 250, motor-voter, will also lead to increased voter turnout. We cannot expect expanded numbers of people to vote without addressing the hurdle of registration. By providing a fast, convenient method of registration, citizens will be far more likely to sign up and take part in the electoral process.

Of the three elements involved in addressing the problem of declining voter participation—registration, education, turnout—S. 250 addresses only one of these three: registration. But combined with reform in the other fields, if we override the veto of S. 250 today, we will have made a significant stride toward establishing a fully representative democracy in the United States.

Mr. President, I yield the floor.

Mr. FORD. Mr. President, I believe I am correct that the minority leader used some time earlier this morning that ate up part of the hour.

I ask unanimous consent that we might recapture that time so that I might yield 10 minutes to my friend from Minnesota.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. FORD. I yield 10 minutes to the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, there is a tremendous amount of discontent and anger all across our country. That anger can take a very destructive form. We saw that in Los Angeles. I saw it in Minnesota at the State fair. There is a tremendous amount of anger. Either we are going to encourage people to translate that anger into participating in our political process, registering and voting, or we are going to discourage that.

Mr. President, this National Voter Registration Act, or the motor voter bill, S. 250, really should be called, in my opinion—and I think there is a lot of evidence to support this—the Voting Rights Act of 1992. This is really an extension of where we left off in 1965.

You would think that, at this point in the history of our country, we would want to do everything we can in the U.S. Senate to help enfranchise people, to help expand democracy, to encourage people to participate in our political process. And yet the President of the United States, George Bush, has vetoed this legislation. I urge my colleagues to vote to override this veto.

Mr. President, let us talk a little bit about what has gone wrong in our country. And I would like to respond to a little bit of what the junior Senator from Kentucky had to say.

The fact that some 70 million people are not registered to vote is not because people are satisfied; it is not because people are apathetic and they just do not want to register to vote. I think the junior Senator from Kentucky misses the reality of the archaic, fragmented system of voter registration that we have from State to State to State. We are in the rock bottom among the advanced democracies in terms of registration votes.

Mr. McCONNELL. Will the Senator yield?

Mr. WELLSTONE. I would like to just finish for a moment, then I will certainly yield after that.

We are rock bottom among the advanced democracies in voting registration and turnout. This is because we have a system of personal periodic voter registration which puts all of the emphasis on the individual trying to figure out where, when, and how to register to vote.

Mr. President, you come from the State of North Dakota, once home of the Non-Partisan League, where you do not have to register to vote. And that was a decision on the part of North Dakotans to make sure that people would not have any obstacles thrown in their way to be able to register to vote.

The people of North Dakota encourage voter participation. There are also a number of other States—Minnesota and Maine among them—where you have same-day registration.

But in many, many States in this country, you cannot even figure out where to find a form to register to vote. You have to figure out where to go. All too often, you cannot register over noontime, when you have a break from work. You cannot register on the weekend. Sometimes you have to travel 60 or 70 miles to register. Sometimes it is the county courthouse. But you do not know where, or exactly how to do it. There are so many obstacles thrown up that people find it very difficult to register to vote.

Mr. President, that is the system that we have in all too many States. We passed the voting rights bill in 1965, and this is the next step to take in that direction.

I just want to be clear that some of the arguments that may have been made against this bill also remind me of that same debate on the 1965 Voting Rights Act. The opponents of that legislation also argued that there will be more fraud, or it will be States rights, or it will be too expensive.

Mr. President, I cannot for the life of me understand what some of my colleagues are afraid of or what the President is afraid of. On the one hand, I read in the Washington Post—and I believe this was the 17th of September—the headline: "Pentagon Intensifies Efforts To Muster Military Voters." That is good. There are going to be some 75,000 voting counselors who are going to go out to meet with our military people and help them register to vote. That is a good idea. But I think that what is good in the Pentagon would also be good for the rest of the people in our country. I ask unanimous consent to print the article to which I have just referred after my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WELLSTONE. Now, what we are proposing in this legislation, that is that when you fill out your driver's license form—this one is for Minnesota—you can register right there. It also allows agency-based registration. You go into an agency, a social services agency, a public agency, and in a scrupulously nonpartisan way government people there help you to register to vote.

I think the Government is often involved in such a way at the State level that we make it extremely difficult for people to register to vote, or to play a positive, informative role in reaching out to enable people to register to vote.

When we first debated this bill on the floor of the Senate, I remember that at least one Senator came out and said: I oppose this bill because I think those who are not registered to vote are going to turn out and vote for Democrats.

That is not an argument that should be made on the floor of the U.S. Senate. We do not propose a piece of legislation that is good public policy, that encourages participation, that expands democracy because we are worried how people should vote.

At the Minnesota State Fair we registered about 3,800 people to vote, and we were saying to people: we do not ultimately care how you vote—mainly, they were young people, Mr. President—but we think that if you are angry or you want change, you should register to vote. That is what you should do.

Now, there is another argument that I think should be emphasized before Senators cast their final vote. We are in an interesting period, I think, in the history of the country. There is a real interesting mood out there. And a lot of people are saying: Listen, for those of you who are incumbents, Democrats and Republicans alike, we want you to be responsive to us.

Now, Senator FORD has taken the lead with a piece of legislation that says that is exactly what we are intending to do. Senator FORD has said: I am not afraid of more participation; I am not afraid of more democracy.

But I am afraid there are some incumbents that are really quite comfortable with the way things are. And the last thing you would want to see happen is new people registering to vote; the last thing you want to see happening is more people in your State or more people in your district turning out to vote.

The last thing the President of the United States wants to see happen is that maybe these 70 million people who are not registered to vote, by a 2-to-1 margin those below median income, people who may be out of work, people who have jobs that do not pay decent wages, people who do not have decent health-care coverage, people whose children do not get a good education, people who find that their children do not have an equal opportunity; they just might register to vote.

Now with this piece of legislation, what we have done is pass a bill that says that it will be the law of the land that each and every citizen will be given an easy and convenient way to register. They will not have further difficulties imposed upon them which prevent them from registering to vote, but rather we are going to encourage voter registration, we are going to encourage political participation, we are going to encourage the enfranchising of people. And I think it would be a much better country.

The President of the United States has vetoed this bill—I think the Senator from Kentucky [Mr. FORD], is right—out of fear. The President is afraid that more people will be able to register to vote.

I hope that my colleagues will override this veto.

EXHIBIT 1

[From the Washington Post, Sept. 17, 1992]

PENTAGON INTENSIFIES EFFORT TO MUSTER MILITARY VOTERS

(By Barton Gellman)

The Defense Department, in a significant expansion of a once-modest program, has mobilized an estimated 75,000 "voting counselors" worldwide to register and turn out military voters in the Nov. 3 presidential election.

Conducted under a federal law providing access to absentee ballots for active-duty troops and overseas civilians, the Pentagon effort has shifted emphasis during the Bush administration from ensuring availability of voting forms to mustering ballots at the polls.

This year, for the first time, the department has set a target rate for participation, which if realized would produce at least 1.2 million military votes.

Portrayed as a nonpartisan effort to assist troops in exercising a basic constitutional right, the program dates from 1955 and is widely acknowledged to provide important services. The nation's 1.9 million active-duty troops are scattered around the world and move more frequently than the population at large.

But this year's intensification, and particularly the new focus on voter turnout during what could be a close presidential election, has led Democratic and some independent analysts to suspect the Bush administration is trying to energize a predictably sympathetic voter base.

There is little hard evidence about the political preferences of military voters. But pollsters and political scientists believe such voters disproportionately favor the Republican Party, a leaning thought to be accentuated this year by satisfaction with President Bush's conduct of the Persian Gulf War and doubts about Democrat Bill Clinton's plans to make further defense budget cuts and permit gay men and women in uniformed service. Other officers, including some who have served since the Vietnam era, also may disfavor Clinton's efforts to avoid the draft.

"If anybody is charging that we're trying to get the troops to turn out more so there will be more Republican votes, that's ludicrous," said Pentagon spokesman Pete Williams, "Whatever pointy-headed academics are trying to imply that there's some motive here, other than helping the serviceman and woman to vote, have an overdose of politics."

Some critics, including an Air Force major who complained to the American Civil Liberties Union, regard an aggressive voting campaign as inherently coercive in the context of the military's strict chain of command.

Others, who support the effort to educate and motivate potential voters, accuse the Bush administration of using government resources selectively to that end. Bush vetoed a "motor voter" bill passed by Congress last spring that would have made voter registration available automatically to citizens renewing drivers licenses or applying for government services such as unemployment benefits. Supporters plan an attempt to override that veto, perhaps as early as this week.

The Pentagon voting program is legally obliged to remain politically netural and does appear to take pains to avoid transmission of partisan messages. But it also goes well beyond the provision of forms and technical services that are the only legislative mandate of the Uniformed and Overseas Citizens Absentee Voting Act.

According to an internal Army memorandum by Maj. Gen. Larry D. Budge, technical assistance "has in the past been the primary focus of the program." This year's plan requires "direct command involvement" in a new mission "to significantly increase the percentage of soldiers who vote . . . without creating violations of law or significant negative backlash."

As recently as 1980, when President Jimmy Carter ran for reelection, the proportion of military personnel who voted was smaller than that for the general public (49.7 percent versus 52.6 percent). But increased federal efforts under President Ronald Reagan swelled military participation to 63.5 percent in 1988, an increase that equated to roughly 300,000 additional military votes.

Last month, Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, sent a message to all commands urging "each soldier, sailor, marine, airman, and coastguardsman" to help break 1988's record-setting turnout. The Air Force has ordered commanders to shoot for 100 percent registration and 75 percent turnout among officers and enlisted personnel.

Voting counselors—military personnel assigned at a ratio of at least one for every 25 active-duty troops—are required to hand-deliver registration materials, twice, to every serviceman and woman; to provide one-on-one training and encouragement, and to keep records by name of the dates when each voter receives registration materials, returns them, receives an absentee ballot and casts it.

Unit commanders and counselors have been told that their performance in the assignment is "an item for specific review" by inspectors general and will become part of the fitness reports that govern promotions.

"The emphasis was not placed in 1988 that is being placed this year," said Senior Master Sgt. Travis Crowder, a voting assistance representative at Andrews Air Force Base. "We've gotten a number of messages from higher headquarters emphasizing the importance of this mission."

"You can't force a guy to register and you can't force a guy to vote, and we haven't had to," said Capt. W.L. Bates in an interview aboard the cruiser USS Thomas S. Gates, whose 364 sailors are all registered. "Personally I'm shooting for everybody to vote, and I think we have a pretty good chance of having that happen."

An Air Force major assigned as a voting officer complained to Arthur Spitzer at the ACLU's Washington office that the received periodic calls from his commanding general asking "how we're doing" on registration and primary election voting goals and said the general responded, "That's not enough," when given a status report.

Clinton campaign communications director George Stephanopoulos said the Bush ad-

ministration should not restrict registration assistance to military voters.

"Every time someone votes and every time someone encourages someone to vote, it's a good thing," he said. "But consistency is also a virtue, and if you support this program you should also support efforts so that every American living in America can also be encouraged to vote—like the 'motor voter' act."

During debate over that registration bill, a Justice. Department better argued that allowing social service agencies to register voters "risks various forms of intimidation of the public" because citizens who depend on the agencies for welfare or other benefits "could easily be given the impression that they have to register, or register for a particular party, in order to please the administrator in whose hands the fate of their application rests."

A series of Justice Department spokesmen declined to discuss the letter's relevance to military installations.

Normal polling techniques such as exit polls and telephone surveys do not reach most military voters because roughly 90 percent vote by absentee ballot and a majority at any time are in barracks, in field exercises, on ships at sea or in other places inaccessible to pollsters. The Defense Department does not permit political questions in official military surveys.

But political scientists such as John Muller of the University of Rochester and Curtis Gans at the Committee for the Study of the American Electorate note that military recruits come disproportionately from among traditionally conservative groups such as white southerners and small-town midwesterners.

In Florida's close 1988 Senate race, for instance, military voters casting absentee ballots decided the election for Republican Connie Mack, according to campaign managers for both Mack and his Democratic opponent, Buddy Mackay.

"If you asked me to give you a number. I would say that 80 percent and up of military members would vote for the Republican Party," said military sociologist Charles Moskos.

Others suggested the number might be far smaller. But Brian Lunde, a former executive director of the Democratic National Committee, noted that even 55 percent of the military role for Bush "would be a landslide."

Mr. McCONNELL. Mr. President, do I have any time remaining?

The ACTING PRESIDENT pro tempore. The Senator has nearly 20 minutes.

Mr. McCONNELL. Mr. President, let me say to my friend from Minnesota, it is not hard to register today. Under Federal law, a State has to register people up until 30 days before the election. That was legislation passed sometime back. Virtually every State in the Nation makes it extremely easy to register.

Admittedly, North Dakota is different. I do not know whether the Senator from Minnesota was here when I was discussing this earlier, but vote fraud is more a product of the culture of certain sections of our country. It is not uniformly a problem. It is a problem in certain areas.

In this legislation—which, fortunately, if not going to become law—there is a fallback provision so that if a State chooses not to implement motor-voter, they have to go to same-day registration.

In my State, for example, that would be a serious problem in eastern Kentucky and other places of the State.

Mr. FORD. Will my friend yield a minute?

Mr. McCONNELL. In just a minute.

Mr. WELLSTONE. I would also ask the Senator to yield to me.

Mr. McCONNELL. Mr. President, it would be a serious problem in terms of cheating, just flat out cheating.

I think one of the things you do not want to have in a democracy is to have your vote diminished by those participating more than once, and that has been a problem in certain areas of the country—not just in the South, but in Chicago, as well.

The Senator mentioned the Voting Rights Act. I support the Voting Rights Act. I always have, even before I got here, thought it was a good piece of legislation, and certainly needed in my section of the country. That is an entirely different issue.

With regard to what we are afraid of, all the surveys indicated that the President would have gotten the same margin in 1988 if those who had not voted had voted. In other words, the opinion of those that chose not to participate was the same as those who did participate.

The question is whether throwing millions of people onto the voting rolls is going to have any impact on turnout. And the people who know something about this subject, all of which I referred to in my speech, do not believe that throwing lots of voters onto the voting rolls is going to have any impact on turnout—none whatsoever. I yield for a question to my friend from Minnesota.

Mr. WELLSTONE. Let me take my colleague's arguments in reverse order. I believe there is, of course, a sharp difference of opinion among those people who have looked at this whole issue of the relationship between voter registration and voter participation, as to whether or not changing the institutional arrangement of voter registration will encourage participation or not.

For example, I would cite the work of Frances Fox Piven and Richard A. Cloward, in their book, "Why Americans Don't Vote," as two authors who argued with considerable eloquence that, indeed, if we changed this arrangement for voting registration, it would lead to an upsurge.

Second of all, I say to the Senator from Kentucky, I believe you and other people who are going to support the President's veto understand full well that in fact there will be more participation. That is exactly what you are afraid of. That is exactly what you are afraid of.

And my third point, I find it interesting that regardless of what the academics argue, people in office seem to understand full well, especially the President of the United States and those who will not vote to override his veto, that in fact this will lead to increased voter registration and voter participation.

And finally, if I could say this to the Senator from Kentucky—I beg to disagree with him on the point it is easy to register to vote. I have seen so many lawsuits and have been involved in so much registration work around the country where we have had an extremely difficult time registering people to vote.

Mr. McCONNELL. Mr. President, I thought I yielded for a question.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky has not yielded the floor.

Mr. WELLSTONE. My question is, How come you do not understand these basic realities?

Mr. McCONNELL. I think I am a better judge of what my motivation here is than is the Senator from Minnesota. It is not my concern that turnout will go up. I would like to see turnout go up. I do not applaud the fact turnout has declined in recent years. Before the Senator got here I pointed out the one and only thing that will increase voter turnout is for the voters to get more interested in the elections.

We had a recent election in Louisiana between Edwin Edwards and David Duke, in which turnout approached 80 percent. Why did the voters turn out in Louisiana? They thought it made a difference. There was a clear choice, it had an impact on their lives and their States. That is what is going to turn people out. The only way you can get them out—and I do not think there is anybody in the Senate who wants to do this—you could do what several European countries and a number of South American countries do, and fine people. You could punish them for not voting. I do not think anybody here thinks we ought to do that. But, clearly that is the thing that will get it done.

The General Accounting Office studied why voter turnout is so high in certain Latin American and European countries. Conclusion: They punish them if they do not vote. I do not think we need to do that.

My point is this is a solution in search of a problem. Our concern about low voter turnout in this country, our problems with low voter turnout are caused by lack of voter interest. Throwing millions of people onto the voter rolls is going to have no impact on that whatsoever.

So, this is an unnecessary piece of legislation. There is nothing to keep a State from going to motor-voter today. Over half of them have, I believe, gone to motor-voter today. If they want to do that I think that is perfectly all

right. If a State chooses not to, as many have chosen not to, they ought to have that option.

Mr. FORD. Mr. President, will my colleague yield for a question?

Mr. McCONNELL. I will just yield.

Mr. FORD. I think I am out of time.

Mr. McCONNELL. All right, I yield to my friend from Kentucky.

Mr. FORD. My colleague made a statement. I am not a lawyer and he is, and I may need some help on this. But when we passed this bill I understood we only grandfathered those States like North Dakota that have no registration, and those that had same-day registration from date of enactment. We did not propose or provide for same-day registration, which he alleged earlier.

Mr. McCONNELL. I was just checking with staff here. I would say to my friend I am told in the final version of the bill, if you do not implement motor-voter you must implement same-day registration.

Mr. FORD. That is not the intent of the bill. The language in the bill says that upon enactment, if you have one or two—North Dakota in particular—same-day registration, there is nothing in the legislation that requires same-day registration.

Mr. McCONNELL. We probably have a debate of staff, here. Maybe we can convene and let the staff——

Mr. FORD. You and I voted on it. I remember clearly what was in it. There was no intent nor do I believe that is the language. Not being a lawyer, it makes it difficult for me to stand and say it is not.

Mr. McCONNELL. Being a lawyer does not have anything to do with it. I have made the argument all the way through and it has never been rebutted before today, that if you chose not to go to motor-voter—I am not talking about States like North Dakota that have same-day—but if you chose not to motor voter it is my understanding your only other option under the legislation is to proceed to same-day registration.

Mr. FORD. I apologize to my friend. I do not recall him bringing that point up when I was present.

Mr. McCONNELL. I have made the point every step of the way and I will be glad to be corrected if that is not the case. It was certainly my belief it was the case.

Mr. FORD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes.

Mr. FORD. Mr. President, I ask unanimous consent that a memorandum prepared by the Library of Congress on the constitutionality of this bill be included in the RECORD; and I have a list of editorials from small newspapers to large newspapers, endorsing S. 250. I ask unanimous consent they be printed in the RECORD at this point.

There being no objection, the material ordered to be printed in the RECORD, as follows:

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, May 5, 1991.

To: Senate Committee on Rules and Administration Attention: Thomas E. Zoeller, Counsel.

From: American Law Division.

Subject: Constitutionality of the "National Voter Registration Act of 1991," S. 250, 102d Cong., 1st Sess., Providing For National Voter Registration Procedures For Federal Elections.

This memorandum responds to your request for a discussion of the constitutionality of the "National Voter Registration Act of 1991," S. 250, 102d Cong., 1st Sess., introduced by Senator Ford, providing for national voter registration procedures for federal elections. As you requested, this memo specifically addresses the arguments proffered by the Department of Justice in a letter to Senator Ford, dated April 17, 1991, and in the Department's analysis of S. 250, in which the Department questioned the constitutionality of this legislation.

I. MAJOR PROVISIONS OF S. 250

As stated in Section 2 of S. 250, the purpose of the bill is to increase voter registration, enhance voter participation, protect the integrity of the political process, and assure accurate voter rolls. To that end, if enacted, S. 250 would require that the states, in addition to any other method for voter registration provided for by state law, establish procedures to permit voter registration in the following manners: (a) simultaneously with an application for a driver's license (Section 5); (b) by mail application (Section 6); and (c) by application in person, either at an appropriate registration office, or at a Federal, State or private sector location (Section 7). It would not apply to states without a voter registration requirement for election to federal office or to states which permit voter registration at the polling place on the day of a general election (Section 4). It would also prohibit states from removing the names of voters from the registry solely for failure to vote (Section 8).

Further, it would authorize the Federal Election Commission to coordinate all federal functions and prescribe regulations (Section (9); it would require each state to designate a chief state election official to coordinate all state functions (Section 10) and it would provide for civil enforcement, private right of action (Section 11), and criminal penalties (Section 12).

II. CONSTITUTIONALITY OF S. 250

A. Constitutionality of the proposal to establish national voter registration procedures for congressional elections

S. 250 would provide for national voter registration procedures which would apply to all congressional elections. The Department of Justice contends that "while Congress has some authority to preserve the integrity of the federal election process by taking steps to prevent fraud, it cannot encroach upon the exclusive power of the states to regulate the manner in which elections are conducted."[1] The concerns of the Department can be easily disposed of by considering the language and Supreme Court interpretation of the Times, Places and Manner Clause of the Constitution.[2] Under this clause, Congress has been granted explicit authority to regulate congressional elections. The states do not have *exclusive* authority over elections:

"The Times, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congress may at any time by Law make or alter such Regulations, except as to the Places of chusing Senators."[3]

As the Department of Justice notes, under this constitutional provision, Congress may enact laws that secure the integrity of the election process from violence, corruption, and fraud.[4] However, the power of Congress under this clause is not limited to only these areas. Under the Times, Places and Manner Clause, Congress could even enact legislation establishing a complete code for congressional elections containing provisions for the times and places of elections, registration of voters, supervision of voting, protection of voters, prevention of fraud and corruption, counting of votes, duties of inspectors and canvassers, and the compilation and publication of election returns.[5]

In *United States v. Classic*,[6] the Supreme Court clearly held that the right of the people to choose representatives in Congress is "a right established and guaranteed by the Constitution."[7] It is a right derived from the states, the Court explained, only in the sense that the Constitution authorizes states to legislate on the subject under Article I, Section 2. The Court declared, however, that this power of the states *only exists to the extent* that Congress has not restricted state action by exercising its authority to regulate elections.[8]

Hence, although the Department correctly asserts that S. 250 is not designed to prevent fraud, corruption, or eliminate any discriminatory practices, this distinction seems meaningless in view of Congress' unlimited power over congressional election procedures. Congress' authority to enact a uniform voter registration law for congressional elections is well established under the Times, Places and Manner Clause.

B. Constitutionality of the proposal to establish national voter registration procedures for Presidential elections

Another provision in the Constitution grants Congress broad authority over presidential elections. Article II, Section 1, Clause 3 provides:

"The Congress may determine the Time of chusing the [presidential] Electors, and the Day on which they shall give their Votes; which Day shall be the same throughout the United States."[9]

In response to the argument that Article II, Sec. 1 limits the power of Congress to that of determining the "time of choosing electors, and the day on which they shall give their votes," in *Burroughs and Cannon v. U.S.*, the Court declared, "So narrow a view of the powers of Congress in respect of the matter is without warrant."[10] The Court reasoned:

"While presidential electors are not officers or agents of the federal government [*In re Green*, 134 U.S. 377, 379], they exercise federal functions under, and discharge duties in virtue of authority conferred by, the Constitution of the United States. The President is vested with the executive power of the nation. The importance of his election and the vital character of its relationship to and the effect upon the welfare and safety of the whole people cannot be too strongly stated. To say that Congress is without power to pass appropriate legislation to safeguard such an election from the improper use of

Footnotes at end of article.

money to influence the result is to deny to the nation in a vital particular the power of self protection. Congress, undoubtedly, possesses that power, as it possesses every other power essential to preserve the departments and institutions of the general government from impairment or destruction, whether threatened by force or by corruption."[11]

C. Constitutionality of the proposal to establish national voter registration procedures for all Federal elections under the necessary and proper clause

The Necessary and Proper Clause of Article I, Section 8, Clause 18 of the Constitution also empowers Congress with the authority to enact laws regulating federal elections.[12]

"The Congress shall have Power * * * To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof."[13]

In the 1970 *Oregon v. Mitchell* decision,[14] five separate opinions supported the constitutional authority of Congress to enact election laws regulating federal elections. There, the Court upheld the constitutionality of a federal statute barring a state from denying the right to vote in any election because of a literacy test and of a federal statute banning durational residency requirements. As Justice Stewart wrote, "These cases and others establish that Congress brings to the protection and facilitation of the exercise of privileges of United States citizenship all of its power under the Necessary and Proper clause."[15] Consequently, he concluded that the Constitution permits Congress to enact statutes protecting the fundamental right to vote. "We should strive to avoid an interpretation of the Constitution that would withhold from Congress the power to legislate for the protection of those constitutional rights that the States are unable effectively to secure."[16]

III. CONCLUSION

Under the Constitution and Supreme Court rulings, Congress has the power to regulate federal elections, including the establishment of national voter registration procedures for presidential and congressional elections as set forth in S. 250. Congress' power has been clearly established under the Times, Places and Manner Clause and the Necessary and Proper Clause of the Constitution. These provisions of the Constitution, as interpreted by the Supreme Court, demonstrate that Congress has broad power and authority over federal elections, including the regulation of voter registration procedures, and that the states do not have exclusive authority to regulate the manner in which elections are conducted. Hence, it appears that the provisions of S. 250 would withstand any serious constitutional challenge.

L. PAIGE WHITAKER,
Legislative Attorney.

FOOTNOTES

[1] U.S. Department of Justice, Department of Justice Analysis of S. 250, p. 1 (copy on file with the Senate Committee on Rules and Administration and the author). *See also*, Letter from W. Lee Rawls, Assistant Attorney General, to Senator Wendell H. Ford, Chairman, Senate Committee on Rules and Administration (April 17, 1991) p. 1-2 (presenting the views of the Department of Justice concerning S. 250, the National Voter Registration Act of 1991).

[2] U.S. Const. art I, §4, cl. 1.

[3] *Id.*

[4] *See, e.g.*, Burroughs and Cannon v. United States, 290 U.S. 534, 657-58 (1934) (holding that Congress has the power to enact laws protecting federal elections from corruption); Ex Parte Yarbrough, 110 U.S. 651, 657-58 (1884) (holding that Congress has the power to enact laws protecting federal elections from violence and fraud).

[5] Smiley v. Holm 285 U.S. 335, 366-67 (1932) (holding that Congress may supplement state election laws or enact its own since it ". . . has a general supervising power over the whole subject."). *See also*, Newberry v. United States, 256 U.S. 232 (1921).

[6] 313 U.S. 299 (1941).

[7] *Id.* at 314.

[8] *Id.* at 315.

[9] U.S. Const. art II, §1, cl. 3.

[10] 290 U.S. 534, 544 (1933).

[11] *Id.* at 545.

[12] U.S. Const. art. I, §8, cl. 18.

[13] *Id.*

[14] 400 U.S. 112 (1970).

[15] *Id.* at 286. *See also*, United States v. Classic, 313 U.S. 299, 315 (1941) (holding that in addition to its power to regulate elections under Article I, Section 2 of the Constitution, Congress also is empowered to regulate elections under the more general provision of the Necessary and Proper Clause).

[16] *Id.* at 292.

[From the Des Moines Register, July 1, 1992]

GIVE GREEN LIGHT TO "MOTOR-VOTER": NEARLY 70 MILLION AMERICANS ARE NOT REGISTERED TO VOTE.

By signing a bill to simplify voter registration, President Bush would signal his support for broad participation in the American electoral process. A failure to do that may show just how much he fears for his own reelection prospects.

The "motor-voter" legislation would require states to let people fill out a voter-registration form at driver-license agencies, public-assistance agencies, unemployment agencies, agencies whose main mission is serving the disabled, and by mail. States also could make voter registration possible at other locations including state and local government offices, public libraries, schools, city and county clerks' offices, and fishing and hunting-license bureaus.

As things stand, voter registration is made easy in some states like Iowa, which allows registration forms to be obtained at many places, including at driver-license stations and at county auditors' offices. Others make it tough, forcing people to drive 50 or 60 miles to a county courthouse to fill out the form, or providing restrictive hours in which to register.

Nationwide, nearly 70 million Americans cannot vote because they are not registered, according to the League of Women Voters. Charges by Bush and others that making it simpler for them to vote would lead to fraud are hogwash. The vast majority of additional people who register would do so legitimately, which far outweighs the possibility of some deceptions.

What those charges may really reflect are Republican worries that loosening the registration process will sign up more people likely to vote Democrat or for Ross Perot in the fall. Those strategists figure the fewer people voting, the better Bush's chances. That's a repulsive reason to write off a large share of the American people.

[From the Oregonian, July 1, 1992]

OPEN POLLS TO VOTERS; REGISTRATION BARRIERS STILL SHUT OUT MILLIONS

President Bush has a chance to deregulate voter registration, and that's precisely what he should do.

Congress has moved to his desk for signing a bill that would remove confusing, cumbersome, inconvenient and discriminatory voter-registration requirements. Restrictive hours, hard-to-find and inconvenient registration sites, confusing forms and selectively stringent identification requirements discourage voter participation in many parts of the country.

Only 25 percent of people with disabilities have found their way to registration desks. Nearly a third of adult Americans move within a two-year period and, in addition to changing the addresses on their driver's licenses, they have to reregister to vote. All together, nearly 70 million Americans cannot vote because they are not registered.

Without a simple, easy way to register, many citizens are denied a chance to express their views on their government.

The bill Congress approved June 16 is known as motor-voter registration. It would allow the more than 90 percent of Americans who have driver's licenses to apply to register to vote when they apply for or renew their driver's licenses. The bill also has mail and public agency registration provisions to serve those Americans who do not drive.

Opponents primarily worry about fraud and cost. But the experience of several states that have motor-voter registration—including Oregon—is that the cost is minimal and the fear of fraud is baseless.

Concern, instead, ought to focus on the many Americans discouraged from voting because of registration barriers. In signing this bill, Bush would endorse his own rhetoric that citizens' views are important. He should let motor-voter become law.

[From the New York Times, June 25, 1992]

A THREAT TO VETO DEMOCRACY

White House officials say they're urging President Bush to veto the voter registration bill that just arrived on his desk from Congress. It's terrible advice. This commonsense measure, nicknamed "motor-voter," honors democracy by making it simple and convenient for all Americans to register to vote.

Citizens could do so when they obtain or renew their driver's licenses. The bill would also require states to offer registration by mail and at government agencies like welfare offices. Together, experts say, these simple steps could boost registration to about 90 percent.

That's an impressive leap. Only 60 percent of eligible citizens are now registered. Yet the Office of Management and Budget argues that "there's no sufficient justification" for imposing this program on the states. No sufficient justification? What about the 70 million Americans left unregistered by the present hodgepodge of state laws?

Opponents of "motor-voter" also say the bill would increase fraud. That's a red herring. At present, 29 states sign up voters at motor-vehicle agencies; 27 states permit registration by mail. There's no evidence of an epidemic of cheating.

It's true, as some Republican opponents have noted, there are plenty of other reasons why Americans don't vote. Simplifying registration cannot substitute for more inspiring candidates and campaigns. But there's virtually no chance of increasing voter turnout—barely 50 percent in the last Presidential election—as long as 40 percent of Americans remain unregistered.

Republican opponents of "motor-voter" seem to fear that adding more voters to the rolls would mainly benefit the Democrats. That may or may not be the case. But fortunately Mr. Bush can rise above any such cynical calculation. Like the sound campaign finance reform bill he chose to veto a month ago, the "motor-voter" provisions wouldn't become effective until after the 1992 election.

To veto this popular legislation would be to veto expanded participation in government—something the President might wish to encourage in this angry election year. He would help his standing and the nation by standing up for democracy.

[From the Denton (MO) Times Record, June 25, 1992]

PUTTING PEOPLE BEFORE POLITICS

Rep. Wayne T. Gilchrest is to be congratulated for supporting Senate Bill 250, the National Voter Registration Act, which was recently passed by the House of Representatives and forwarded to President Bush for an unlikely signature.

Also known as the motor-voter act, SB 250 requires states to register voters by mail when they apply for driver's licenses and welfare, unemployment or disability benefits.

It must not have been easy for Gilchrest to vote for the motor-voter bill, because 135 of his fellow Republicans voted against it. In the appallingly partisan tradition of American government, House Republicans accused Senate Democrats of stacking the deck by insisting that not just motor vehicle agencies, but also public assistance offices, double as voter registrars.

Just think of it! Poor people registering to vote! It's heresy! Unemployed people registering to vote! It's revolution! Cripples registering to vote! It's the end of civilization as we know it!

We applaud Gilchrest for not buying into such elitist hysteria. As the people of the Eastern Shore prepare to elect a president, a congressman and a senator, we share his concern about dwindling participation in federal elections. Caroline County has the worst case of voter apathy in the state. Fewer than half of those who are eligible are registered to vote. We must use every available means to get more voters on the rolls and to the polls. It seems ironic that, while Caroline County Republicans were out registering new voters, congressional Republicans were trying to hamper a similar initiative. The Republicans' effort to limit the number of registration sites is not only dismayingly cynical, but also counterproductive.

Gilchrest is to be commended for not losing sight of what is important, for doing the right thing, and for putting people ahead of politics.

[From the Milwaukee (WI) Journal, June 24, 1992]

PHONY "MOTOR-VOTER" FEARS COULDN'T EXCUSE VETO

Whenever the citizens of some strife-torn nation brave bullets to cast their ballots on Election Day, pundits in this country lament the contrast with America, where millions of eligible voters don't even bother to exercise the franchise. President Bush could go a long way toward reversing this dismal record by signing the so-called motor-voter legislation.

Alas, Bush is said to be on the verge of vetoing the measure, which didn't pass either House by enough votes for an override. If the President derails this splendid vehicle, he will hand his opponents a dandy election issue.

The motor-voter bill would sensibly permit citizens, as of 1994, to register to vote when they renew their driver's licenses or apply for unemployment or other social services at government agencies. They could also register by mail or, if states so chose, at the polls on Election Day, as Wisconsin permits. While such steps are no cure for the public's widespread disgust with politics, the legislation would reach 90% of the estimated 70 million unregistered voter.

So how come the White House is down on the idea? Republicans raise the specter of fraud. But in the 32 states with some version of motor-voter, there have been few problems. And the legislation includes strong safeguards against fraud.

The real reason for the GOP's skepticism appears political: Republicans fear (and Democrats hope) that most unregistered voters, many of them poor and minority, will vote Democratic.

But a 1991 study by the conservative Free Congress Research and Education Foundation found that non-voters tend to mirror voters politically and demographically. A survey taken after the 1988 presidential election concluded that Bush would still have won even if all non-voters had cast their ballots. These days, it's impossible to predict how new voters would behave.

The shabbiest of GOP objections is that motor-voter would impinge on states' rights. Can anyone seriously concede states a right to preserve barriers to voting? What a mockery of democracy. And what a poor excuse for leadership a presidential veto of motor-voter would be.

[From the Richmond Register, June 26, 1992]

"MOTOR VOTER" MEASURE ADVANCES DEMOCRACY

(By Randy Patrick)

It isn't often that Kentucky's U.S. senators figure prominently in the national news, but Wendell Ford and Mitch McConnell have been getting noticed for their efforts in a battle being waged over the very idea of democracy.

As usual, McConnell is on the wrong side, along with President Bush.

The controversy involves the National Voter Registration Act of 1992, of which Ford is one of the main sponsors. Its purpose is to increase voter turnout by making it easier for people to register.

Under the bill, which has passed both chambers of Congress and is awaiting the President's signature (or more likely, his veto), those who are of voting age would be able to register at the same time that they renew or apply for their drivers' licenses, motor vehicle licenses or hunting and fishing licenses. They could also register by mail or when they seek welfare, unemployment benefits or other assistance from state agencies.

Such a law would register millions of Americans who have been shut out of the democratic process. That is the real reason the party of the elite monied interests, the Republicans, are so anxious about the possibility of the bill being enacted.

McConnell, who led the opposition to the "motor voter" bill in the Senate, warns that it "has the potential to foster election fraud and thus debase the entire political process in this country."

Ford, the majority whip in the Senate, accuses McConnell and other reactionaries of trying to achieve "through archaic and confusing registration procedures that which they cannot achieve through outlawed practices, such as poll taxes and literacy tests."

It is likely that a national law to simplify the registration process and make it more convenient would particularly benefit the poor, the disabled, racial minorities and other groups who are disenfranchised. It is also likely that people in those groups would tend to vote for progressive, rather than conservative, candidates.

The statistics bear this out. Of the 70 million or so Americans who are of voting age but don't vote, two-thirds are below the median income level. Fewer than half of families with incomes below $10,000 are registered, compared with more than 80 percent of those who earn over $50,000 a year. A disproportionate number of those who are not registered are young and non-white.

Lawmakers who have been voting against the poor and minorities have every reason to fear millions of newly registered voters who might vote against them.

McConnell's assertion that reforming the registration process would lead to more vote fraud is just a smokescreen. Thirty states now have some kind of * * *.

There is much evidence, however, that such state laws have dramatically increased voter participation in an era when voting is declining around the country.

According to 100% Vote, a national campaign for universal registration, voter turnout in North Carolina, Minnesota and the District of Columbia, which have motor voter laws, increased more than 20 percent between 1986 and 1990. Tennessee, on the other hand, which has no such law, saw a 35 percent decrease in voting during the same period.

McConnell has often said that the reason Americans don't vote in great numbers is that they're happy with the way things are. The truth, of course, is just the opposite. Most people who stay away from the ballot box do so because they're disillusioned with the political system, and they feel that they're [sic] involvement won't make much difference.

It's cynical for McConnell to say that a law to foster popular participation would "debase the entire political process." How could it be more debased than it already is? The country is ruled by special interests for special interests, and ordinary people have lost their voice in government. This measure would go a long way toward restoring it.

[From the Madison (IN) Courier, June 19, 1992]

THE DAILY GAZETTE OF SCHENECTADY, N.Y.: ON THE "MOTOR VOTER" BILL

With voter turnout nationwide growing more dismal with each passing election, it's vital that the government make more of an effort to get the masses involved. Registering is a start, and a bill passed by the Senate would help considerably toward this end.

The bill is known as "motor voter," because it would require the automatic registration of anyone who is eligible and applying for a driver's license, welfare, unemployment, disability or other government benefit. With an estimated 65 million—one-third of all eligible Americans—unregistered at present, plenty could be gained by the adoption of such a policy.

Republicans have long opposed "motor voter" because they fear that most of the people such a policy would affect—e.g., welfare recipients—would be inclined to vote Democratic.

Assuming a similar measure passes the House this summer, President Bush should resist the temptation to veto it.

[From USA Today, June 22, 1992]

EXPAND DEMOCRACY WITH THE "MOTOR-VOTER" BILL

Here's an easy way to drive up voter-registration totals for this November's presidential election.

President Bush is being handed a wonderful opportunity this month to counter with a pen stroke those critics who charge him with elitism.

All he need do: Sign the National Voter Registration Act, which Congress sent his way last week. The so-called "motor-voter" bill would order states to allow voter registration by mail or when people seek driver's licenses, welfare, unemployment or disability benefits.

The bill would create a simple, uniform way to register voters nationwide—a welcome change from practices in parts of the country that still discourage participation by offering voter registration only in tough-to-reach sites at inconvenient hours—or through confusing registration forms.

One result of such discouraging practices: Four in 10 of those eligible to vote haven't yet signed up to do so.

The motor-voter bill could get three of those four on electoral rolls, say backers. If registered, many of them would vote, says the League of Women Voters, which led 60 groups backing motor-voter registration.

Critics say the measure could encourage fraud. But it just hasn't worked that way in the 32 states that already have some form of motor-voter registration and the 29, including California, now letting voters register by mail.

Nor should opening up voter rolls automatically aid Democrats, a concern in the White House, where Bush's advisers are urging him to veto the bill. Says Oregon Sen. Mark Hatfield, one of the few Republicans voting for the bill: "I have seen studies that show both parties will benefit greatly."

Ruy Teixeria, who wrote Why Americans Don't Vote, says studies also show non-voters would have cast their ballots in much the same way as voters did. What non-voting will do, he says: Let special interests get their own way much more easily.

That's in no one's interest.

[From the Seattle Post Intelligence, June 24, 1992]

MOTOR-VOTER SPUTTERS

Conventional wisdom is that representative democracy is a case of the more the merrier. The more people voting, the more broadly and deeply the electoral results represent the will of the governed.

So why are President Bush and an alarming number of members of Congress loath to make it easier for more people in the country to vote?

White House spokesman have announced that the president plans to veto the just-passed national voter registration bill. The bill would require states to allow citizens to register to vote when they apply for drivers' licenses and welfare, unemployment and disability benefits. Washington's so-called motor voter registration law has been successful, as have similar laws in other states, in extending the franchise to more citizens. In fact, the national legislation was the brainchild of Secretary of State Ralph Munro and its prime sponsor in the House was Rep. Al Swift, D-Bellingham.

Alas, the margin of the bill's passage in each house of Congress was so slim as not to be veto-proof (268–153 in the House, and five votes short of the needed two-thirds majority in the Senate).

A number of senators and congressmen have some explaining to do. What do they have against bringing more Americans into the voting fold?

As usual, it's largely a matter of partisanship and not statesmanship.

Republicans traditionally fear that a broader circle of voters will translate into a broader base of support for Democrats. One must also suspect that this election year brings additional fears into the hearts of the president and congressional incumbents of both Republican and Democratic stripe. One such fear is the current antipathy toward incumbents among the citizenry. There is no sound reason to believe that those new to the voting game would be stalwarts of the status quo.

The official White House objection to the legislation—"it would increase substantially the risk of voter fraud"—is flimsy, as is the logic of vetoing a bill that would make it easier for more citizens to join in the democratic process.

We join the 32 million members of the American Association of Retired Persons and the 1.2 million members of Disabled American Veterans in urging the president to sign the bill.

[From the Chicago Tribune, June 21, 1992]

PARTY MOTIVES AND "MOTOR VOTERS"

(By Clarence Page)

WASHINGTON.—Should the federal government make it easier for citizens to register to vote?

Neither side has pure motives in the debate currently raging over the issue, but it wouldn't be the first time a good idea came out of partisan motives. Especially in Washington.

White House officials say President Bush opposes the "motor voter" bill Congress approved this week. It passed 268 to 153, six votes short of enough to override a veto.

The legislation is called the "motor voter" bill because it would enable all citizens to register to vote when they obtain or renew their driver's, marriage, hunting or fishing licenses.

It also would offer voter registration by mail and at the offices of state agencies like welfare and unemployment-compensation offices.

It would forbid the removal of a registered voter's name from the rolls for failure to vote and would encourage, but not require, same-day registration on Election Day.

Because the legislation won't take effect until next year, it won't have an impact on the current presidential race. Yet election-year politics have helped shape the debate.

Democrats offer grand reasons for why the legislation is desperately needed. They include fairness, convenience and a moral imperative to keep democratic principles alive as the nation's founders intended. On the less pure side, Democrats really like the measure because they hope it will bring out more Democratic voters.

Similarly, the Bush administration offers grand reasons for opposing the bill. They include the possibility of fraud, extra expense and an imposition on the right of states to set their own election rules. But the president and his fellow Republicans really worry that it will do what the Democrats hope: Bring out more Democratic voters.

It's not easy to persuade incumbents to tamper with voting regulations and procedures. Why mess with the system that put you where you are? But for the rest of us in a year of record-high anti-incumbency sentiments, the cynicism of present officeholders may be as good a reason as any for the public to urge the president to sign this bill and to be mighty outraged with him if he doesn't.

A dirty little secret among party politicians is their continuing effort to keep voter participation low so it can be controlled more easily.

Since the demographics of Democratic voters closely match those of the citizens who are least inclined to vote now, Democrats figure they will benefit from any bill that encourages more folks to come to the polls.

But it is important for both sides to recognize that Republicans can benefit, too. One survey taken after the 1988 presidential race, for example, found that if all the eligible voters who failed to vote had cast ballots, President Bush would have won anyway.

That's democracy. More voters means more voices. It doesn't necessarily mean predictable results.

It's hard to oppose any measure that helps keep politicians on their toes. The possibility of vote fraud is another matter. It is important to note that 30 states and the District of Columbia already have enacted some or all of the bill's provisions and none has reported an increase in suspected fraud.

As for the rest of the country, I see no reason why computer-age enforcement techniques can't help us modernize voter participation without opening the doors to ghost voters and other vote thievery.

As a participant in a 1972 vote-fraud investigation by the Chicago Tribune that resulted in several indictments and a Pulitzer Prize for the newspaper, I am not naive about the nefarious ways of fraudulent politicians. Chicago machines helped write the rules of the game.

But even in Chicago, election watchdog groups have marveled at the effectiveness of stiffer enforcement in recent years.

The argument that the "motor voter" bill is an unnecessary intrusion by the federal government into states' rights may be the weakest argument of all. The nationwide patchwork of state-run rules and procedures does less to protect voters' rights than it does to safeguard the ability of politicians to manipulate the electorate and protect their jobs.

The biggest enemy of legislation to ease voter registration and participation is inertia. Americans are slow to want to fix something that doesn't seem broken. But we also have to ask ourselves whether all of the hoops states make prospective voters jump through are really necessary.

[From the Buffalo (NY) Weekly, June 28, 1992]

WNY GOP UNANIMOUS ON PLAN TO INCREASE NUMBERS OF REGISTERED VOTERS: THEY HATE THE IDEA

Bush, Clinton or Perot. These are our choices in November. And even though we may complain about the limited selection, we still have the right to go to the polls and choose. But there are some area lawmakers who oppose measures that would make it easier for all eligible citizens to vote.

The House of Representatives recently followed the Senate's lead in passing the National Voter Registration Act of 1991, otherwise known as the Motor Voter Bill. This bill would allow anyone 18 years of age or older to register to vote when applying for or renewing a driver's license. It has been estimated that once enacted this bill would register between 50 and 60 million new voters in the first two years. So why did each and every Republican Congressman from Western New York vote the bill down?

The answer is politics. While every area Republican voted no, every Democratic Congressman from Western New York supported the bill.

The Republicans claim that the bill would do more harm than good. A spokesman for Representative Bill Paxon (R-Amherst) said that the bill would cost New York State money and would prevent the state from purging inactive voters from lists. Paxon's assistant also noted that there would be a "tremendous likelihood of voter fraud."

But what it really boils down to is that a majority of the new voters who would be registered under this act would most likely vote Democratic. The bill is expected to have the greatest affect on poorer, less educated voters, and, more importantly, younger voters.

Many people complain that young people don't vote. However, according to Rock the Vote, a non-profit non-partisan group that supports the bill, U.S. Census figures from the last presidential election show that 78 percent of 18–29 year olds who were registered to vote, voted. The problem is that most young people are not registered to vote. Many don't know how or where to register. While is why the Motor Voter Bill makes sense. After all, there aren't too many 18 year olds who don't have a driver's license.

Currently, registering to vote is not an overly complicated process. One can call up the Board of Elections and be sent the necessary forms. But to register for the Selective Service, which every male over the age of 18 must do, a trip to any post office is all that is needed. So why can't voter registration be just as accessible?

The bill is currently sitting on President Bush's desk. He has the power to either pass the bill into law, or to veto it. Insiders say that the president is not sending out supportive signals. Unfortunately, both the House and the Senate were a few votes short of the two-thirds vote necessary to override a veto.

The only way to get young people involved in the democratic process is to make voter registration accessible and convenient. Young people want to make their votes heard, but too often are overlooked by politicians who only want what is best for their party.

So please, if you aren't registered to vote, register. And let your representatives know that you support the Motor Voter Bill.

[From the Rochester (NY) Democrat and Chronicle, June 23, 1992]

WHY MAKE IT HARD TO VOTE?

As former President Jimmy Carter wrote on this page Monday, the No. 1 reason Americans don't vote is that they aren't registered.

The so-called "motor-voter" bill, now on President Bush's desk, would improve turnout by registering millions of new voters. The bill would require states to register citizens to vote when they renew their driver's licenses or apply for a range of social services.

This is a logical and simple way to make voters of those most often excluded from the electoral process—the poor, the young, the elderly and the disabled.

In attacking the bill, many Republicans say the measure would open the system to more fraud and force states to spend too much on making registration easier.

Not so. In fact, the bill would strengthen the penalties for fraud. Nor would registering more voters work to the advantage of Democrats, as Republicans seem to fear. Studies show that the opinions and preferences of non-voters are about the same as those of voters.

The League of Women Voters, which estimates that 70 million Americans aren't registered, sees the bill as another way to strengthen the democratic process.

Voting patterns continue to show that many people are fed up with politicians and the way government works. Four years ago, 57 percent of all adults voted for president. The percentage of voters was the lowest in the last 20 years.

The "motor-voter" bill is no panacea for voter disgust. But getting more people registered is the key to getting more people to the polls—the key to a more responsive government.

After all, in America voting is a right, not a privilege.

You do not have to be well-informed, though information makes you a better voter. You do not even have to be well-intentioned, though a concern for the welfare of all makes you a better citizen.

You do not have to "earn" this right—and no one ought to be able to make it difficult for you.

White House officials say they are advising the president to veto the bill. That's bad advice. The more voters, the better. A veto of the motor-voter bill would make the democratic process the victim of a political hit and run.

[From the Nashville, Tennessean, June 22, 1992]

PUT VOTERS IN DRIVER'S SEAT

With an electorate seemingly bent on driving incumbents out of office, it's probably not surprising that President Bush objects to making it easier to vote.

The House had barely passed the so-called "motor voter" bill last week before White House aides were promising a presidential veto. Bush should ignore the advice and sign the legislation.

Americans aren't voting. Just half of the electorate managed to turn out for the presidential election four years ago. Some don't vote because they aren't registered, surveys keep showing. And they aren't registered because it isn't as easy as it could be.

The National Voter Registration Act seeks to change that. It would make registration as easy as renewing a driver's license, buying a fishing license or applying to hunt. Voters could also mail in registrations, picking up applications at libraries, schools, and other government agencies.

Opponents argue that the law would encourage fraud as well as burden states with additional election expenses. If cost were truly a worry, Republicans wouldn't have offered an alternative to the bill promising states $25 million to "encourage" registration. States don't have to do any more than they already should have been doing with the motor-voter bill. And there are already ample safeguards to discourage vote fraud.

Other industrialized nations, including many that have only recently joined the ranks of democracy, have simplified their voting procedures. A country where voting has always been the hallmark of our government should be no less.

The bill doesn't guarantee more voter participation. It simply makes registration easier.

The two parties should fight hard about a lot of issues this year, but not about making it easier to vote. The nation needs more voters. The motor-voter act is a way to get them.

[From the Lake City (FL) Reporter, June 18, 1992]

MAKING VOTER REGISTRATION EASIER

If President Bush vetoes a bill that would register voters by mail or when they apply for driver's licenses or federal benefits, he will be doing many of the nation's elderly, poor, and handicapped a grave injustice.

The bill formally entitled the National Voter Registration Act or known colloquially as the "Motor Voter" law, was passed June 16 by a House majority of 268–153. In May, the Senate approved it.

The law would reach 90 percent of the estimated 65 million citizens who are eligible to vote but can't because they didn't register in advance of election day.

The Bush administration objects to the proposed law because it would designate welfare and unemployment benefits offices to serve double duty as voter registration sites.

"It would substantially increase the risk of vote fraud," contended Republican Rep. Robert Livingston of Louisiana.

Republicans also complained that Democrats removed from the original nonpartisan bill a provision requiring back-and-forth mailings to prevent mail registrations being used to put non-existent voters on the rolls.

Yet House Majority Leader Richard Gebhardt, a Missouri Democrat, told Congress, "We don't care which box on the ballot they check, Republican, Democrat or Perotian. We just want them to register because we want them to participate in the political process."

During the acrimonious House debate on the bill, the Republican leadership contended the federal act would force some 25 states to change their voter registration laws. And they accused House Democrats of refusing to give $25 million to help each of those states implement the new law because of fear they might not be re-elected.

Just before the June 16 vote on the bill, Bush issued a statement saying he would veto it because of the chance of registration fraud involved.

However, despite the president's threat of a veto, we strongly support the bill. It would give millions of disabled, elderly and poverty-stricken Americans a better chance to exercise one of the Constitution's great guarantees—the right to vote.

And by extending that right through easier voter registration, we will show the rest of the world that democracy, of the people, for the people, and by the people is a most noble process.

[From the Atlanta (GA) Constitution, June 18, 1992]

THE PRESIDENT OPPOSES EASIER VOTING

Doesn't President Bush want to support participatory democracy? Isn't he concerned that Americans tend to vote less than citizens of most other Western industrialized nations? If so, he is doing a very peculiar thing: He has threatened to veto a bill that would make it easier for citizens to register to vote.

The "motor voter" bill, passed this week by the House or Representatives, would allow citizens to register to vote at the same time that they apply for or renew licenses to drive, get married, hunt or fish. It would also require states to offer voter registration by mail and at all state offices, including employment agencies.

Critics of the "moter voter" bill say it would encourage voter fraud, but that seems unlikely. Modern-day high-tech communications and monitoring systems can easily weed out those trying to vote illegally.

The state of Ohio modernized its voter registration system in 1977. It now allows voter registration by mail and at most state offices. It even allows private groups and businesses to print voter registration forms and to send them out with bills and newsletters. Ohio has not reported an increase in fraud.

It has, however, reported an increase in participation at the polls. Before it changed voter registration laws, Ohio had one of the lowest voting rates in the country. Now, it has the 12th highest. It makes sense that busy people would want registration to be easier and that making it easier would encourage people to vote. A 1988 national poll conducted by Cox Newspapers, which owns The Atlanta Constitution, showed that most Americans favor a voter registration system like Ohio's.

So why does the president oppose such a simple and good idea? Mr. Bush may be mired in old notions that suggest Republicans would be hurt by increased voting. It is still true that the affluent tend to vote more than the poor, that whites tend to vote more than blacks and Hispanics and that the employed tend to vote more than the unemployed. If those who are currently not faring well economically started to vote more often, they might back Democrats—or so the thinking goes.

But it turns out that things are not quite so simple. There are vast numbers of well-educated, middle-class citizens who do not vote. And researchers who have bothered to analyze non-voters say it is not so easy to tell whether Democrats or Republicans would gain from an increase in voter participation.

President Bush may be aiming at the Democrats in his opposition to the "motor voter" bill, but he could end up hurting democracy.

[From the Los Angeles Times, June 18, 1992]

LET "MOTOR VOTER" PICK UP LOST SOULS

(By Jimmy Carter)

President Bush now has a chance to strike a blow for democracy without sending troops to a distant country or asking the Congress for billions of dollars in foreign aid. All he has to do is sit at his desk in the Oval Office and sign a bill into law. The bill is The National Voter Registration Act, commonly called the "the motor voter" bill, which would make it much easier for Americans to vote. The bill requires states to allow registration by mail, to enroll voters when they apply for a driver's license and to register voters at other state agencies such as welfare and unemployment offices.

Our political system badly needs this law. Meeting the leaders of new nations and helping to monitor free elections, I've been fortunate enough to experience firsthand the political changes going on around the world. I cannot help but be struck by a sad contrast. In Eastern Europe, the former Soviet Union, Africa, Asia and Latin America, people are exercising their democratic freedoms as never before—fighting dictatorship, founding new political parties or voting in free elections. But in the United States, the headlines are about people feeling alienated from the democratic political process—Ross Perot riding dissatisfaction with politics to the top of the polls, people losing faith in the ability of Congress to govern and voting rates in many presidential primaries falling to an all-time low.

The reasons for this loss of enthusiasm for politics are many and complex, but one simple one has plagued us for years. It is much too hard to register to vote. President Gerald Ford and I were cochairmen of an extensive analysis before the 1984 national election, in which the major revelation was that any amazingly high percentage of people vote—once they are registered. When non-voters were asked why they didn't vote in the 1988 presidential race, only 17% said they didn't like the candidates or they just didn't care. The most common reason, cited by 37%, was that they couldn't vote because they weren't registered.

It's no wonder they weren't. Ours is the only major democracy that requires people to register several weeks before they can vote. And the registration process is a patchwork of rules and regulations, differing widely from state to state, that can baffle even the most well-intentioned citizen. How many Americans know offhand when, where and how they go about registering in their state? This is an especially difficult question for the one-third of the adult population moving every two years.

The statistics on voting reveal the grim effects of our current system. When I ran for President in 1976, 54.4% of the voting-age population voted—a figure that was much too low. Soon after taking office, I submitted legislation that would have permitted voting-day registration in federal elections. But the bill failed. Democratic congressional leaders, concerned that newly registered, unpredictable voters might endanger their sure reelection, killed the bill. The voting rate has declined steadily since, reaching an all-time low of about 50% in the last presidential election. During the 1990 congressional elections, turnout was 36%.

The bill headed for President Bush's desk would remove some of the important barriers responsible for this low turnout. It would also enhance the integrity of the registration process by strengthening penalties for registration fraud. Estimates are that 90% of the electorate will be registered if the bill becomes law, and at a very modest start-up cost and with long-term cost savings to the states.

Why then is the Bush Administration threatening to veto the bill? Unfortunately, they have succumbed to two myths, one spoken, the other only whispered. The spoken myth is that a motor voter law would invite voting fraud. Sen. Mark Hatfield (R-Ore.) has called the fraud claim a "red herring." There is no sign that "motor voter"-type laws in Oregon and other states have increased fraud.

The whispered but more significant myth is that unregistered voters would vote disproportionately for Democrats. Unfortunately for my party, that would not happen. Surveys consistently find that the political opinions of non-voters are very similar to those of voters. They split pretty evenly between the two parties. Both Republicans and Democrats would benefit from making registration easier, and our democratic system would be the real winner.

President Bush has expressed pride in his Administration's support for democracy abroad. By signing the "motor voter" bill, he can help out another troubled democracy, the one right here at home.

[From the Chicago Sun-Times, June 21, 1992]

BUSH SHOULD BACK BILL MAKING IT EASIER TO VOTE

(By Carl T. Rowan)

If the reports about voter apathy and anger are true, this may be the year when we get an answer to the disturbing question: What happens if you hold an election and no one shows up?

Not that Americans have been showing up in vast hordes for any recent election. Barely 50 percent of eligible voters cast ballots in the last presidential contest, and only one-third voted in the House of Representatives contests two years ago.

In contrast, Western European nations commonly get turnouts in the 80 percent to 90 percent range for national elections.

That is why I simply don't understand White House opposition to the "motor voter" bill passed by Congress last week, which would make it a lot easier for Americans to register to vote.

Nearly two centuries ago, Thomas Jefferson noted, "That government is strongest of which every man feels himself a part."

Back in Jefferson's days, few Americans had the opportunity to feel a part of their government, at least not by voting. Ninety percent of those who are eligible to vote today would have been legally disenfranchised in Colonial times—women, blacks, new residents, 18-year-olds, persons who didn't own land.

Over the years, we have given that previous right to vote to all these groups and more. But we have also made it difficult to exercise. The United States is the only democracy that puts the burden of voter registration on its citizens. Everywhere else, the government handles registration or doesn't require it. All people have to do is show up on election day.

The legislation just enacted by Congress would go a long way toward changing America's restrictive approach by replacing the variety of state registration procedures with sensible national rules.

If you meet age and other eligibility requirements, you would be able to register to vote when you got or renewed your driver's license. Or when you applied for a marriage, hunting or fishing license. The elderly could sign up when they go to a Social Security office.

States would also have to offer voter registration by mail and could not remove a registered voter's name from the rolls for not voting. Registration on Election Day would be encouraged.

The measure passed both the House and Senate by healthy margins, with some Republican support. But White House officials said they would advise President Bush to veto it on grounds that it would increase the risk of voting fraud and would be expensive.

Nonsense. The bill has strong anti-fraud provisions—tougher than those that currently exist in many states. It would make it a crime to coerce someone into registering or to falsely register. States would have to keep up-to-date, non-discriminatory voting lists and make reasonable efforts to remove ineligible voters.

And a couple dollars per voter is a cheap price to pay for participatory democracy.

A lot of observers suspect the real reason for the White House opposition is a fear that easier registration would bring more elderly, disabled and poor people to the polls, and they might favor Democrats. That's questionable. A New York Times/CBS News poll taken after the 1988 election indicated that if no-shows had shown, Bush would have beaten his Democratic foe, Michael Dukakis, by an even larger margin.

The survey also found that non-voters said the chief reason they didn't cast ballots was that they were not registered. Simplified registration is no cure-all for America's voting malaise. There are lots of other reasons people don't vote. Less-than-inspiring candidates. Nasty, negative campaigns. The feeling that "my vote doesn't make any difference."

I was struck by an article this week in which young voters told a Washington Post reporter how bored and turned-off they were by the political process. "It's not worth my time," complained one. This group—18- to 24-year-olds—has the worst voting record of any age segment. Only 86.2 percent voted for president in 1988 and just 20.4 percent—one in five—voted in the 1990 congressional elections.

We can't legislate charismatic candidates, exciting issues, more responsive government. But we can make the process of voting simpler and more accessible.

"Motor voter" does that. It is not a threat to anyone—except those who, unlike Jefferson, see danger when more citizens have a part in their government.

[From the New York Times, June 21, 1992]

VETO PROOF

(By Anna Quindlen)

My recollection of first registering to vote is that the process consisted of a young woman, a gymnasium and a clipboard. I could have told her my name was Vivien Leigh and she wouldn't have known the difference unless she'd seen "Gone With the Wind."

Voter registration, like solid waste management and zoning codes, is one of those issues that has a proven effect on people. ZZZzzzzzzz. But last week the issue presented itself in a fashion that made me think about the ways in which we really count ourselves Americans. And it presented itself in legislation so obvious and so right that George Bush could only deal with it in one way.

A veto.

The National Voter Registration Act was passed by the House on Tuesday, a month after the Senate had done the same. The measure is cutely called "motor voter" because it would register people to vote when they receive or renew their driver's licenses. And it would also enable people to register at the offices where they receive welfare or unemployment benefits. Right now only 60 percent of those eligible are registered to vote, with this measure the number could rise to 95 percent. As it is in so many other democratic countries, voter registration would become almost automatic.

This doesn't simply mean more voters. Voting and jury service are inextricably linked. In most states, voting lists are a major source, if not the only source, of jury pools. What that means is that if we enlarge the pool of voters, we will also enlarge the pool of jurors.

The average registered voter in this country is older, whiter and better off than many other Americans. That's usually true of jurors, too. It's one reason we hear so many complaints about impartial panels, about a jury of peers. While we've come a long way from the days when only white male landowners could serve on juries, the poor, the young and people of color are still often missing from jury pools.

But what of the implicit societal peremptory exercised when the way we select them produces middle class jury pools that reflect neither the community nor the accused? A national motor-voter program could change that. Of the 70 million Americans not registered to vote, two out of three have household incomes below the median and many are minorities. Millions of them would likely register under the act and therefore be called to jury duty, too.

It is one measure of his isolation and supreme self-interest that the President would kill a universal franchise bill in a year of intense psychic disenfranchisement. For the people who would be registered are precisely the people who feel most estranged from government—the people of South-Central L.A. and of MTV. They are precisely the kind of people who need to feel included in the resolution of disputes and the dispersal of power. To feel part of the program.

At the risk of sounding like a Jimmy Stewart character in a Frank Capra film, think of that sensation of accomplishment you get when you draw the curtain closed on election day and are alone in your personal democracy, or when you file into a jury box with your verdict. That's the closest most of us get to pushing the buttons of this country ourselves.

Republican officials have been consistently hostile to this legislation. They have cried fraud, as though a young woman with a clipboard were the height of high tech. Perhaps because they haven't applied lately for a driver's license or an unemployment check, they don't know that either is a virtual administrative decathlon compared to the way many of us register to vote.

Fraud, schmaud—30 states have some kind of motor-voter law, and there has been no evidence of serious fraud in any. But there is evidence aplenty that many of the new voters registered under the act would be poorer, younger, Latino, African-American—to whit, possible Democrats. Not Our Kind, Dear, as they say in drawing room dramas. In a year of epic disenchantment, Congress passed a measure last week that would open up the two most important confined spaces in this country, the ballot box and the jury box. And that measure is destined to die on the President's desk.

[From the New York Newsday, June 19, 1992]

FLIMSY EXCUSES: MAKE VOTER REGISTRATION EASIER

Of all the bizarre White House excuses, this one deserves a spot in the Guinness Book of World Records: The Bush administration opposes a bill that would let people register to vote when they fill out their driver's license forms because it would encourage fraud. Never mind that no one has found fraud in the 30 states where citizens register at motor-vehicle agencies. Never mind that most states require far more identification to get a license than to register.

President George Bush will almost certainly veto the "motor-voter" bill, passed by the House of Representatives this week and by the Senate last month. Too bad the chances for an override are slim. The margin in the Senate was six votes short of being veto-proof; the House came up 22 votes short.

Only 60 percent of the 186 million Americans of voting age are registered, though 90 percent of them have driver's licenses. Under the bill, citizens would register at welfare, unemployment and other offices. Backers of this legislation say that all these steps would raise voter registration to 95 percent. Why would anyone oppose that? Richard A. Cloward, co-founder of Human Serve, an election-reform group, says look no further than the Republicans' phobia about the political consequences. Many of the new voters are likely to be poor ones, who traditionally vote Democratic. Unfortunately, Albany's attitude is not much better than Bush's. Gov. Mario Cuomo recently signed into law a bill that would allow registration at DMV, welfare and unemployment offices. But it has a gag rule that prohibits employees who hand out the forms from answering questions—a misguided attempt to avoid recruitment into political parties.

[From the San Diego Union Tribune, June 24, 1992]

MOTOR VOTER: THE DRIVE TO MAKE IT EASIER TO VOTE

(By Clarence Page)

Should the federal government make it easier for citizens to register to vote?

Neither side has pure motives in the debate currently raging over the issue, but it wouldn't be the first time a good idea came out of partisan motives. Especially in Washington.

White House officials say President Bush opposes the "motor voter" bill Congress approved last week. It passed 268 to 153, six votes short of enough to override a veto. The legislation is called the "motor voter" bill because it would enable all citizens to register to vote when they obtain or renew their driver's, marriage, hunting or fishing licenses.

It also would offer voter registration by mail and at the offices of state agencies like welfare and unemployment-compensation offices. It would forbid the removal of a registered voter's name from the rolls for failure to vote and would encourage, but not require, same-day registration on Election Day.

Because the legislation wouldn't take effect until next year, it won't have an impact on the current presidential race. Yet election-year politics have helped shape the debate.

Democrats offer grand reasons for why the legislation is desperately needed. They include fairness, convenience and a moral imperative to keep democratic principles alive as the nation's founders intended. On the less pure side, Democrats really like the measure because they hope it will bring out more Democratic voters.

Similarly, the Bush administration offers grand reasons for opposing the bill. They include the possibility of fraud, extra expense and an imposition on the right of states to set their own election rules. But the president and his fellow Republicans really worry that it will do what the Democrats hope: bring out more Democratic voters.

It's not easy to persuade incumbents to tamper with voting regulations and procedures. Why mess with the system that put you where you are? But for the rest of us in a year of record-high anti-incumbency sentiments, the cynicism of present officeholders may be as good a reason as any for the public to urge the president to sign this bill and to be mighty outraged with him if he doesn't.

A dirty little secret among party politicians is their continuing effort to keep voter participation low so it can be controlled more easily. For all their stirring speeches about why Americans should vote, if politicians had their way, only voters from their most dependable support base would use their right to vote. Those pesky independent voters, with their unpredictable ways, would stay home.

Since the demographics of Democratic voters closely match those of the citizens who are least inclined to vote now, Democrats figure they will benefit from any bill that encourages more folks to come to the polls.

But it is important for both sides to recognize that Republicans can benefit, too. One survey taken after the 1988 presidential race, for example, found that if all the eligible voters who failed to vote had cast ballots, President Bush would have won anyway.

That's democracy. More voters means more voices. It doesn't necessarily mean predictable results.

It's hard to oppose any measure that helps keep politicians on their toes. The possibility of vote fraud is another matter. It is important to note that 30 states and the District of Columbia already and none has reported an increase in suspected fraud. As for the rest of the country, I see no reason why computer-age enforcement techniques can't help us modernize voter participation without opening the doors to ghost voters and other vote thievery.

The argument that the "motor voter" bill is an unnecessary intrusion by the federal government into states' rights may be the weakest argument of all. The nationwide patchwork of state-run rules and procedures does less to protect voters' rights than it does to safeguard the ability of politicians to

manipulate the electorate and protect their jobs.

The biggest enemy of legislation to ease voter registration and participation is inertia. Americans are slow to want to fix something that doesn't seem broken.

But we also have to ask ourselves whether all of the hoops states make prospective voters jump through are really necessary.

More important, we should ask ourselves this: Who benefits from a system that makes it harder for working people who have had to change their address, can't get down to City Hall to register during certain hours, or don't have organized volunteers handy to register them at local shopping centers?

[From the Madison (WI) Capital Times, June 22, 1992]

"MOTOR VOTER" A GOOD STEP

Voting is still the most important political statement that Americans can make, and an integral spoke in the wheel of citizenship.

But most people don't vote (Wisconsin being a shining exception). In some states, most don't even register to vote. And the number who do is shrinking every year.

There are lots of reasons why this is so, among them laziness and cynicism. Those are problems that no law can solve.

But there are barriers to voting that can easily be lowered. In many states people have to go out considerably of their way, in terms of both time and distance, to register. And there are registration deadlines, usually 30 days before an election. If someone can't find the time to register, or forgets, that person is effectively disenfranchised.

Congress last week passed a bill that would register eligible people to vote when they apply for a driver's license, marriage certificate, or for government benefits, or purchase a hunting or fishing license. Dubbed "*motor voter*," it wouldn't require anyone to vote, only make it easier. It wouldn't solve the low-turnout problem, but it would enhance democracy.

Yet most Republicans in both the House and Senate voted against it, and President Bush is expected to veto it. Its critics claim it would open the door to voter fraud, but they've made no real case for that.

The real problem is that the party of "wealthy and white" doesn't want to make it easier for poor people or black people to vote.

Happily, U.S. Rep. Scott Klug of Madison was among 28 Republicans who joined Democrats in passing this bill. But they still came up short of the two-thirds needed to override a veto.

Faced with overwhelming evidence that "politics as usual" is deadly this election year, Bush and the most of the GOP stuck with their usual selfish brand.

[From the Bellevue, WA, Journal American, June 21, 1992]

MOTOR-VOTER FIRST STEP IN GETTING PEOPLE TO VOTE

(By Ralph Munro)

In the coming weeks, President Bush will have a significant opportunity to respond to the growing frustration in this country from those who feel they are powerless to influence the future of America. This opportunity comes via the National Voter Registration Act, which, if approved by the president, will guarantee American citizens uniform access to a safe, convenient system of voter registration.

The Voter Registration Act (S. 250), which has passed both the Senate and the House with bipartisan support, is a response to the alarming decline in voter participation witnessed in the United States during the past decade. In 1988, only half the nation's eligible population took part in electing a new president. During the 1990 congressional elections, the turnout of eligible voters was 36 percent—the lowest since 1942 and the second lowest since 1798.

There are three basic elements involved in addressing the problem of declining voter participation: registration, education and turnout. The Voter Registration Act is aimed at the first element. After all, you can't persuade people to go to the polls if they aren't registered to vote in the first place.

One of the most prominent features of the act would require states to institute a voter registration system commonly known as "motor voter." Under the motor voter system, eligible citizens are able to register to vote at the same time they apply for or renew their driver's license.

The state of Washington instituted such a program just five months ago. In that short amount of time, we have registered more than 100,000 people—about 4,500 registrations per week. At the current rate, our motor voter program will register 800,000 Washington voters during the next four years, an increase of 30 percent!

Motor Voter has been successful here and in other states because it provides a number of important advantages, both for citizens and for election officials:

Motor Voter provides a convenient, accessible method of registering to vote while maintaining personal contact with the applicant and the registrar. Most states maintain dozens of driver licensing outlets which are accessible to both rural and urban areas.

Motor Voter is especially productive in registering hard-to-reach groups such as young people, most of whom have a driver's license but don't have a voter registration card. It also reaches out to those who move within a state or into a new state. Approximately 25 percent of the American people move every year; the driver licensing office is one of the first places they visit when they change residences.

Motor Voter provides protection against fraud and abuse. By connecting the licensing and voter registration systems, federal, state and local election officials have several new cross-checks and auditing tools to protect the integrity of the registration process.

Motor Voter keeps registration lists accurate and up-to-date. The technologically advanced features of this system ensure that the voter registration rolls are updated on a regular basis.

Motor voter is cost-effective. States which have implemented motor voter programs have found it offers a lower per-transaction cost than any other form of voter registration.

The Voter Registration Act also will bring a much greater degree of uniformity to voter registration throughout the country. It should not be any more difficult to register in one state than it is another.

Finally, I believe the act will lead to increased voter turnout. People are much more likely to participate once they have gotten past the hurdle of registration. By providing a fast, convenient method of registration, citizens will be far more likely to sign up and to take part in the electoral process.

The bottom line is that voter registration is an administrative mechanism, and, as such, should be as convenient as possible for our citizens.

The National Voter Registration Act is not the cure to all that ails our elections process. It does, however, remove many of the administrative barriers to voter registration. Combined with campaign reform, voter education and programs to increase voter turnout, this legislation will provide a positive step in establishing a fully representative democracy in the United States. It is my hope the president will give it his approval.

[From the Illinois Southtown Economist, June 19, 1992]

ENACT MOTOR VOTER BILL

The Illinois Senate is expected to vote soon on whether to enact a so-called "motor voter" bill—a measure that would allow people to register to vote at driver's license and other government offices.

The intent of the bill is to encourage more eligible voters to register. Proponents estimate that 750,000 more Illinoisans would register to vote if the bill became law. In Cook County alone, 180,000 voters would register, County Clerk David Orr said. Orr predicted that the bill would result in a major increase in Election Day turnout.

The motor voter bill has already been approved by the House and by a Senate committee, with a vote in the full Senate expected next week. If the Senate approves, the bill will go to Gov. Jim Edgar for his signature. As it is now written, the bill includes provisions for voter registration at welfare and unemployment offices. Illinois Republicans reportedly plan to strike those provisions based on the premise that clients of those agencies tend to vote Democratic.

We agree with the bill's supporters, who say government ought to be doing all it can to enable everyone to vote, without regard to their political affiliation. The more people vote, the more representative government should be.

A similar bill that would affect the entire nation was approved by the U.S. House this week, after passage last month by the Senate. President Bush is expected to veto the bill, however, arguing that it would result in voter fraud. In fact, 30 states already have motor voter legislation, and none has reported significant increases in fraud. Democrats say Bush's opposition is based solely on concern that more Democrats than Republicans would register.

Ideally, the federal bill should be adopted. But since it appears that support is insufficient to override a presidential veto, Illinois should enact its own law. We urge the Senate to approve the bill, and Gov. Edgar to sign it into law.

[From the Louisville (KY) Courier-Journal, June 2, 1992]

THE ROAD TO THE POLLS

Sen. Mitch McConnell—a man not known for his sense of humor—said something very funny the other day. He suggested that the reason there had been a low voter turnout in recent elections was that the electorate was basically happy with its leaders.

Sen. McConnell might discuss that theory with his friend George Bush, who seems to be experiencing something quite different.

On the subject of voter turnout, the Democrats aren't nearly so entertaining. But they do have one suggestion that's been kicking around Congress for the past few years: Pass the "motor voter" bill.

If people could register to vote when they get their drivers' licenses, Democrats believe, maybe 95 percent—instead of 60 percent—would be eligible to vote. Although

being registered is no guarantee that a person will vote, it certainly improves the odds. And in a democracy, the more people participating the better.

The House is expected to approve the motor voter bill, too, but what will happen when it gets to the president's desk? Probably, says a spokesperson, he will veto it. The politics of the bill are that it would make it too easy for the poor and minorities—who tend to vote Democratic—to vote.

Disgust with shenanigans like that is what keeps Americans from the polls, Sen. McConnell—not satisfaction with their leaders.

[From the Christian Science Monitor, May 28, 1992]

MAKE REGISTRATION CONVENIENT

Why do George Bush and congressional Republicans want to keep American citizens out of the voting booth?

They don't say that's their intention of course, but that's the effect of Republicans' continuing opposition to a bill that would make it easier for Americans to register to vote.

The so-called motor-voter law would require states to register eligible voters when they obtain or renew a drivers license. It also would provide for voter registration by other state agencies such as welfare and unemployment offices, would authorize mail-in registration, and would prohibit states from purging the names of nonvoters from the rolls.

The bill was passed by the Senate last week. Now it goes to the House of Representatives, which passed a similar bill in 1990. President Bush appears set to veto the bill if it reaches his desk, though, and motor-voter backers lack the votes to override.

Voter turnout in US elections has been declining for years. It barely exceeds half of all eligible voters in presidential elections, and is lower in off-year congressional elections. The reasons include voter apathy and disenchantment, which won't be cured by legislation. Not to be discounted, though, are obscure and inconvenient procedures in many states that inhibit voter registration. Nearly 80 percent of registered voters cast ballots.

An important reason that many voters aren't registered is Americans' mobility. After moving to a new state, voters must reregister; often they forget, or are unfamiliar with the new procedures. Few forget to get a new drivers license, however.

Supporters of the motor-voter bill say it would raise voter registration from the current 60 percent of eligible voters to about 90 percent. The rise in voting would not be as dramatic. Still, enhanced registration would beget higher levels of participation in American democracy.

Opponents of the bill claim that it would facilitate vote fraud and would be expensive for the states to administer. The legislation contains safeguards against fraud, however, and the costs to the states wouldn't be budget-busters. What really concerns Republicans (and excites Democrats), one suspects, is the likelihood that many newly registered voters would be minorities, the poor, and other disenfranchised groups that tend to vote Democratic. No citizens should be deterred from registering and voting for partisan reasons.

Some say there's nothing wrong with requiring citizens to take some initiative to get registered, that voting shouldn't be "too easy." At bottom, that thinking is as exclusionary (and possibly racist) as the old literacy tests and poll taxes. At a time when voter disquiet is so high, and when so many Americans feel left out by the political system, people should be encouraged to become a part of their democracy.

[From the Hartford Courant]

MAKE VOTER REGISTRATION EASY

One blot on democracy is the failure of millions of people to vote. Another is the failure to even register. In Connecticut, an estimated 700,000 people at least 18 years old are not enrolled to vote. Nationally, about 70 million eligible voters remain unregistered.

Connecticut's Legislature this year authorized voter registration at offices of the Department of Motor Vehicles. More than 95 percent of the voting-age population uses these offices. When they come to apply for permits, it makes sense to also register them to vote.

Twenty-seven states permit so-called motor-voter registration, and 17 others have legislation pending.

A national standard would make more sense than the hodgepodge of state laws governing voter registration. Last week, the U.S. Senate approved a measure requiring all states to permit registration by mail and at motor vehicle departments. Citizens would also be allowed to register when they applied for unemployment compensation, disability benefits and welfare.

Six Republican senators joined 55 Democrats in support of the bill, which is likely to be passed by the House, as it had been in previous years.

For the past three years, the legislation had been blocked by Senate Republican filibusters. But the filibusters gave up in 1992. "We can't put our heads in the sand and slow the registration of new voters," said Republican Sen. Mark O. Hatfield of Oregon.

One major obstacle remains. President Bush fears massive fraud resulting from such a law. There is no evidence to justify his fears. States that have permitted motor-voter and mail registration have not faced serious fraud problems.

The problem has not been ineligible voters rushing to register but eligible voters failing to register. Illegal aliens and felons have no interest in exposing themselves to prosecution by enrolling as voters. They would rather not give their names and addresses to the government.

Critics complain that requiring people to register when they go to a motor vehicle office would be coercive. People are not required to register, they may do so at the DMV.

Under the federal proposal, states would have until 1994 to make their laws conform. Surely, encouraging citizens to vote serves the national interest.

[From the Oregonian, May 27, 1992]

APPROVE THE "MOTOR-VOTER" BILL

With the backing of Oregon's Republican Sens. Mark O. Hatfield and Bob Packwood, a "motor voter" bill has passed the Senate 61-38 and will soon be taken up by the House, where its prospects are uncertain.

Even less certain is whether President Bush will sign S. 250, the National Voter Registration Act, even if the House approves it.

But House opponents and the President would be wise to consider the anti-incumbent mood of American voters before they balk at such a common-sense election reform. The House should pass the bill, and Bush should sign it.

S. 250, which Hatfield is co-sponsoring, would bring more uniform voter-registration practices to most states. It would permit voters to sign up by mail as well as at state agencies such as motor-vehicle, fish-and-wildlife, welfare and unemployment-compensation offices.

Twenty-seven states already have one or more comparable provisions, and a half dozen—Oregon among them—have motor-voter registration in place or awaiting a governor's signature. Oregon has registered 72,000 voters at Motor Vehicles Division offices in the last six months and has permitted mail registration for 17 years.

Republicans charge the bill would lead to widespread fraud, although little evidence supports that view. The GOP generally opposes encouraging wider registration on grounds that it tends to favor Democratic candidates.

Hatfield says Oregon's long experience has turned up "not one single case of fraud."

He and Packwood were among only six Senate Republicans supporting the bill.

The GOP's allegations about fraud are a red herring—especially in light of S. 250's criminal sanctions against false registrations and fraudulent ballots.

"Those who support this bill trust Americans," says Sen. Wendell Ford, D-Ky., the prime sponsor. Now all it takes is for House opponents and the President to trust them as well.

[From the Star Tribune Newspaper, May 25, 1992]

A LOAD OF VOTER-REGISTRATION BULL

This is a PBT test. It measures reader's awareness of political bull throwing, and is good preparation for this fall's election.

A voter-registration bill backed by the League of Women Voters and numerous other good-government groups has been pending in the Senate. President Bush has threatened to veto the bill. At White House bidding, Senate Republicans twice kept the bill from coming to the floor by threatening filibuster. When it did arrive last week, only six, Republicans (including Dave Durenberger) joined with Democrats to pass the bill.

The White House and its Senate Republican minions attribute their strong opposition to the bill's potential for encouraging voter fraud. Here's the test. Do you believe that explanation? If you do, you flunk. If you don't, congratulations. A certificate signed by Willie Horton will be in the mail.

The voter-registration bill, affectionately nicknamed "motor voter," would replace a patchwork state approach to registration with a uniform national program. It would require states to offer voter registration by mail, at state and federal offices and when driver's or other licenses are sought. Minnesota would be exempt because it already offers motor voter registration.

Numerous states have enacted some of those reforms over the years, and in most cases both voter registration and voter participation have increased significantly. The motor voter bill is designed to bring those benefits to voters in every state and to eradicate complicated registration procedures in some states that are designed to discourage voting.

Oregon Sen. Mark Hatfield, another of the maverick Republicans on this issue, had the best response to the concocted worries about fraud: Oregon has had mail registration for 17 years, and it hasn't produced any fraud. Minnesota's experience has been similar to Oregon's.

Fraud isn't the Republican worry. What's at issue is where those new voters will land;

Republicans are afraid many will be attracted to Democratic candidates. The cynics want to improve GOP fortunes at the polls by keeping many potential Democrats away. Instead, why not win elections the old-fashioned way: By earning voter trust?

Despite support from Durenberger and five of his Republican colleagues, the vote in the Senate fell six votes short of the number needed to override the promised veto. If Bush follows through on his threat and motor voter dies, remember, you passed the PBT test. You know why he did it.

[From the Asheville (NC) Citizen-Times, May 25, 1992]

WHITE HOUSE SHOULD SIGN NEW VOTER BILL

Legislation in Congress designed to broaden the voter registration process is long overdue. Under a hodgepodge of state systems that often require people to register at the courthouse or library at least 30 days before an election, all across the nation only about 40 percent of those eligible are now registered to vote.

The bill passed last week May 20 by the Senate won't please everybody, and there are rumblings of a veto threat. Dubbed the "motor voter" bill, it would require that people be registered to vote when they apply for drivers licenses, or for welfare, unemployment, disability and other benefits.

Thirty-two states including North Carolina already use some form of motor voter registration. Since 1984 registration has been available at any North Carolina Division of Motor Vehicles office to anyone who has other business with DMV.

Despite only a 50 percent turnout of eligible voters in the 1988 presidential election, about 80 percent of those registered went to the polls. The problem according to the bill's sponsors, is that 65 million people—nearly one-third of those eligible—are not registered.

Democrats accused Republicans of rehashing the same arguments used to oppose the abolition of literacy tests and poll taxes, and extending the vote to women and 18-year-olds. Six Republicans joined 55 Democrats to pass the bill despite Bush administration claims it would lead to election fraud and pressure applicants for benefits to register for the party in power.

Polling data suggested at one time that most unregistered voters were likely to be disaffected blacks and the poor—groups expected to constitute a potential pool of support for Democrats. Newer studies and Census data suggest that may not be so. "With a third of the population moving every two years, most of the unregistered voters now are young mobile Americans, and they tend to be Republican," said Susan Lederman, president of the League of Women Voters, which lobbied on behalf of the bill.

Senate GOP leaders, who had filibustered the bill for three years, predicted President Bush would veto it. If enacted, the measure could add millions of voter registration rolls around the country.

The House passed a similar bill in 1990, but Democrats there said they would not consider it again until the Republican filibuster was broken in the Senate. The House is now expected to act on it in the next two weeks.

It's the automatic registration provision that's likely to cause state election officials the most trouble. Estimated cost of implementation is $150 million. Democrats accepted one Republican amendment to the bill. It would delay implementing the bill by a year—until Jan. 1, 1994—to give state legislatures time to make their laws conform.

The bill also would require states to register voters by mail, and would forbid them from removing names from registration rolls just because they did not vote in recent elections. Names are purged from North Carolina registration lists if the owner hasn't voted in any election within eight years, unless that person specifically asks to remain on the books.

And this session of the Legislature is expected to enact several election laws, including registration by mail, that would put North Carolina close to conformity with the congressional mandate. We would become the 30th State to allow potential voters to register by mail.

There is also a plan to permit registration closer to the date of elections than the 28-day cutoff now in effect. Other proposals include allowing local boards of election to set up special polling places for the elderly and disabled, changing the registration deadline from four weeks to three weeks before an election and establishing a commission to study ways to set up a central, statewide computerized registration system.

With any luck, North Carolina will be well along the way in complying with the federal mandate when it goes into effect in 1994.

[From the Cleveland Plain Dealer, May 27, 1992]

"MOTOR VOTER," A LICENSE TO VOTE

Beyond all its ritual hand-wringing over America's low rate of voter turnout, Washington has crafted a practical measure that would encourage citizens to go to the polls. The Senate's recent passage of the so-called "motor voter" bill, simplifying voter registration, should inspire the House of Representatives to add its consent and send the bill to the president.

If the White House is serious about promoting citizens' participation, President George Bush's advisers should stop hinting that he might block this long-overdue advance for good government. A veto in this case would be unjustifiable.

The Senate's approval of the bill last week, with a bipartisan 61-38 majority, endorsed nationwide registration standards that would bring coherence to the state-by-state patchwork of election laws. The hassle of registration is certainly a deterrent to voting: Scarcely 50% of the voting-age population went to the polls in 1988, but the turnout rate among registered voters was about 80%. Easier registration would boost turnout among the 65 million or more citizens (about one-third of the electorate) who are not yet signed up to vote.

The "motor voter" measure would require every state, by 1994, to register voters automatically when they apply for driver's licenses, unemployment benefits, disability coverage and other social services. (Each applicant would also have the option of refusing to register.) Similar guidelines are already in effect in 29 states and have provoked no discernible outbreak of election fraud. The bill would also require states to use mail-in registration—a system now used in 32 states (including Ohio). Two states that boast some of the nation's highest turnout rates, Maine and Minnesota, have the simplest process of all: instant registration on Election Day. States that adopt such rules would be exempt from the new federal law.

Since the measure would not create any new bureaucracy, even the bill's skeptics admit that its administrative cost would be trivial. Nonetheless, the Senate majority had to overcome a three-year filibuster by some recalcitrant Republicans who dread a larger voter turnout. The opposition was led by a chronic naysayer to good-government reform, Sen. Mitch McConnell of Kentucky, whose reasoning seemed purely partisan: In the past, higher turnouts have tended to boost Democrats' chances while lower turnouts have favored Republicans.

That old rule of thumb may no longer be true. The lowest turnout rate in 1988 was among 18-to-24-year old men—precisely the voting category that has recently shown the strongest Republican voting trend. Although the new law might lead to a large increase in registration among members of minority groups, who often tend to vote for Democrats, analysts assert that the new standards would have no partisan skew. Yet many Republicans remain needlessly fearful of increasing voter turnout.

The House, which approved a similar measure by a comfortable 289-132 margin in 1990, should endorse the Senate's version and send it to the White House. Bush's signature would promote citizen participation: a veto could only be based on a narrow partisan calculation. To back up his get-out-the-vote rhetoric, Bush should sign this well-crafted initiative.

[From the Washington Post, May 25, 1992]

VOTING MADE EASIER

Half the states and the District of Columbia have moved in recent years to simplify voter registration, and last week the Senate moved to impose reforms nationwide. It passed a bill to require every state to adopt registration by mail procedures and allow citizens to register in connection with drivers' licensing and renewal. In addition, registration services are to be made available in the offices of direct-service government agencies like libraries, welfare centers and unemployment offices. Will this measure increase voter participation, as its sponsors claim? It's not certain, but it's worth a try.

In 1990, only 36 percent of eligible American citizens went to the polls—the lowest percentage since 1942. Reformers point out that a full 40 percent of eligible citizens can't vote because they are not even registered. Based on figures from states that have adopted streamlined procedures, they estimate that 90 percent of those eligible will register if the process is simplified.

Will federal standards unduly burden the states, as opponents claim? There will be start-up costs and some continuing expense, but in the District of Columbia, which adopted the so-called motor-voter system a couple of years ago, the cost was only 6 cents per registered voter. Would the bill increase opportunities for fraud and coercion? Again, experience in the states doesn't bear out this fear. There is cause for some concern that recipients of government benefits might feel pressured not only to register but to register in a certain party if the agency offering registration is the same one that confers benefits. But the bill contains strong new federal penalties for fraud and intimidation, which should take care of the problem.

The House is expected to pass this bill overwhelmingly, probably along party lines; with a handful of exceptions, this is what the Senate did. But the president is likely to veto it. Democrats charge that Republican opposition is grounded in the fear that almost all those added to the voting rolls will be Democrats. That outcome is far from a certainty, but partisan advantage is certainly not a valid reason to tolerate roadblocks in the registration process.

In this century, this country has greatly extended the franchise, first to women, then

to 18-year-olds. Congress has also made good the Constitution's promise to secure the rights of minorities to participate in the electoral process. Yet there are still charges, in some quarters, that government red tape, unnecessary regulation and burdensome requirements keep citizens from the ballot box. This bill addresses those complaints directly and comprehensively. The president should sign it.

[From the Seattle Times, May 22, 1992]

NATIONAL MOTOR-VOTER: SIMPLIFY VOTER REGISTRATION

Getting more people registered to vote is not the same as getting people to vote.

Proponents of a federal law that would make voter registration easier across the country exaggerate when they argue that it will automatically lead to bigger voter turnouts.

Even more off-base is the ludicrous assumption by one U.S. senator that low voter turnouts mean the electorate is content with it leaders.

Forget about voter turnout for now. The best argument for easier registration is simply that it is the right thing to do. In the world's oldest and greatest democracy, becoming a registered voter ought to be one of the most basic and common experiences of all citizens.

And it's government's job to see that it is easily accomplished.

The U.S. Senate this week approved a bill that would do just that by requiring states to allow people to register by mail or as they renew a license to drive, to fish or to hunt. It also would require states to offer voter registration at state agencies such as welfare and unemployment offices.

The House, which passed a similar bill by a wide margin two years ago, soon will take up the matter.

When it reaches the president's desk, Bush should reconsider his threatened veto. Surely this basic exercise of democracy—registering the eligible electorate—is an opportunity to set aside partisan bickering and avoid one more dreary example of government stalemate.

[From the Los Angeles Times, May 22, 1992]

MAKING CITIZENS INTO VOTERS

All Americans live more stratified lives than the country sometimes cares to admit. Among American cities, Los Angeles—traveling mostly by private car, residing in economically and often physically segregated neighborhoods—sorts and separates its citizenry more aggressively than most. There are few places in this city where a Walt Whitman could say "I hear America singing"; few places, that is, where without regard for income or color or religion, we all mingle.

The military was once the place where democracy was on display in this sense. Public schools were another place where Americans met their fellow Americans. Now, we have a voluntary military. Many Americans never serve. As for the public schools, a large chunk of the population has put its children in private schools.

What's left? Stop in at the nearest office of the California Department of Motor Vehicles. There are ways for the better-heeled to avoid even this contact with the population at large, but, by and large, the DMV is a portal through which all eventually pass.

This week, the Senate approved by a 61-38 vote a bill that would make everyone who passes through that portal a registered voter unless a person specifically opts not to register. "Motor-voter" registration, already backed overwhelmingly by the House, does not guarantee, needless to say, that the thousands of new registrants it would create will bother to go to the polls. But it may well mean that some thousands from the politically inactive bottom quarter of the population may vote for the first time in their lives.

President Bush, seeing a danger of voter fraud, promises a veto. The League of Women Voters, backing the reform, maintains that built-in safeguards are more than adequate. As we try to put our burned and broken city back together again, anything that makes functioning citizens out of mere residents is worth a try.

[From the Barre-Montpelier (VT) Times Argus, May 7, 1992]

RECLAIMING GOVERNMENT

Sometime within the next two weeks the U.S. Senate is expected again to consider the National Voter Registration Act, and Vermont's Republican Senator James M. Jeffords will be on the hot seat.

Jeffords has been a steadfast supporter of the bill, which is dubbed the "Motor Voter bill" because one of its provisions is to enable American citizens to register to vote when they apply for or renew a driver's license. His position has earned him disfavor among Republican senators, the great majority of whom oppose the bill. President George Bush, also a Republican, has threatened to veto Motor Voter if Congress passes it.

Jeffords has stood in the lonely company of Senate Republicans Robert Packwood and Mark Hatfield of Oregon, and David Durenberger of Minnesota, who favor the bill.

They should. The provisions of the National Voter Registration Act indisputably will spread the most fundamental right in a democracy—the right to vote—to millions not now included in this country's public decision-making.

Even from a partisan view, the GOP is wrong to fear that Motor Voter will unleash hordes of new Democrats upon the country. In fact, in the House of Representatives—which in 1990 approved a version of the bill while the Senate rejected it—Republican Whip Newt Gingrich favors Motor Voter for partisan reasons: He is cognizant of the support Ronald Reagan received in the 1980s from blue collar workers and independents, and of conservative trends among college-age Americans.

The National Voter Registration Act would make registering to vote throughout the United States easier and more uniform. Rather than having to decipher registration practices when they come of voting age or move to other districts (in a country where a third of the adult population moves every two years), citizens would be invited to register when they contacted motor vehicle departments or applied at agencies offering unemployment, welfare, job training, and other social programs. The act also would extend registration by mail to the 25 states that do not have it.

These reforms are important because U.S. voter participation hovers around a bleak 50 percent of voting-eligible citizens. When there is a presidential race, some 80 percent of eligible Americans take part; in mid-term elections is closer to 40 percent.

Consequently, the Bush "landslide" of 1988 gave him the support of merely a third of the eligible American electorate; and Congress is filled with people who needed the support of less than one in four of their qualified constituents.

So whose government is this? Certainly it's not the majority's. Even if fuller voter participation did not result in changes of policy or candidates, registration reform at least might result in a government of and by the people. In states where such provisions are in effect, they have captured an estimated 90 percent of the missing voters.

Arguments against the bill range from the arrogant to the cynical. Some contend that current hurdles to the voting booth help winnow out those not sufficiently informed or motivated to vote wisely.

They ignore statistics that indicate that the greatest barrier to fuller participation is not apathy, but prohibitive registration practices. They also ignore the duty of a democracy to hear the voices of all its citizens.

Motor Voter opponents also fret that registration reforms would be costly and would encourage fraud. In this computer age, neither claim seems likely; communications networks exist already that are capable of charting and cataloging information.

More distressing, though, are the misplaced priorities that impel opponents to worry more that someone might jimmy the system than that million now are left out of the American democratic process.

Senate Democrats have their priorities right on this bill, and so do a few Republicans. Jeffords is one of those, and should be supported by Vermonters when he endorses the National Voters Registration Act in the U.S. Senate.

Mr. FORD. Mr. President, I do not have any further time. Does my colleague want to respond? I will reserve the remainder of my time. I do not have very much.

Mr. MCCONNELL. Mr. President, I think we are about through here. I would just like to refer to the bill. Subsection (b):

NONAPPLICABILITY TO CERTAIN STATES.—This Act does not apply to a State described in either or both of the following paragraphs:

(1) A State in which there is no voter registration requirement for any voter in the State with respect to an election for Federal office.

(2) A State in which all voters in the State may register to vote at the polling place at the time of voting in a general election for Federal office.

The conclusion that staff on this side and this Senator draw from that is that a State that currently does not have motor-voter and currently does not have same-day registration has only one option if they choose not to go to motor-voter. In other words, if they rebel because it costs too much, or for whatever reason, they have to go, in my judgment, under this legislation—maybe reasonable people can differ about this interpretation—to same-day registration.

I would repeat, if in fact I am right about this and my colleague from Kentucky is wrong—I guess the courts can tell us that—but if I am right and he is wrong about this, what that will mean is same-day registration in eastern Kentucky and in Chicago and some other places, which I think would be an open invitation to fraud.

If I am right about this, it is another strong reason for this legislation not to become law.

Mr. President, I believe we are out of time here. If I have any remaining time I will be glad to yield it back.

Mr. FORD. Mr. President, may I have 30 seconds? I would just say to my friend, the intent of this legislation is, and I believe correct, that upon enactment of the legislation that motor-voter will be in place, and only excluded under that legislation are those States that have no registration requirements or same day requirements.

I yield the remainder of my time.

Mr. SIMON. Mr. President, when the Senate votes on Tuesday on overriding the President's veto of S. 250, the motor-voter legislation, I will be voting to override. I hope a two-thirds majority of my colleagues will be doing the same.

When we advance the right to vote, we advance our Nation. As Justice Black wrote in one of the celebrated voting rights cases:

> No right is more precious in a free country than that of having a voice in the election of those who make the laws; other rights, even the most basic, are illusory if the right to vote is undermined.

It is disturbing that President Bush has blocked this effort to remove obstacles to citizen participation in the electoral process. It is especially disappointing because the President once saw the value of high voter participation. In fact, when he served in the House of Representatives in the late 1960's, then-freshman Congressman George Bush introduced a bill to make election day a holiday. Listen to what he said at that time. He said:

> As the world's leading democracy, the United States should be ashamed of its lack of voter participation. I think we should force public attention on the voting process in an effort to increase voter participation.

Voter participation has dropped drastically since then and now President Bush is blocking our attempt to do something about it.

I am pleased that in my home State of Illinois there is strong support for the motor-voter legislation. Obviously, nothing that comes before us gets universal support or opposition. A number of the vigorous and active county clerks in Illinois support the changes in S. 250.

As David Orr, Cook County clerk stated recently, "More than ninety percent of eligible voters would be reached by the National Voter Registration Act. Now, approximately 178 million Americans are eligible to vote yet 70 million people are not registered to vote. This act helps those not registered to have easier access to the registration process. In suburban Cook County, this would mean an increase of 150,000 voters."

During the debate over motor-voter, other local election officials in Illinois came forward in support of the changes. In Henry County, county clerk Martha Sawyer stated, "I'm in favor of anything that would get people to vote. I don't look forward to the administrative headaches but I think we absolutely should try to make voting accessible to everyone. Of course, we're going to have to roll up our shirt sleeves and dig in also." And Dick Liebovitz, Rock Island County clerk said, "I have no problems with mail-in registration. Scott County has mail-in registration and there seems to be no problems with it."

Some have suggested that this bill is costly. In fact, the opposite is true. It is estimated that deputy registrars cost anywhere from $1 to $15 per voter registered. Motor-voter programs average between 3 cents and 33 cents cost per voter registered. And, Mr. President, we cannot afford the costs to this society when people do not participate in the civic process.

Our Nation has never made a mistake when we expanded the franchise or when we made it easier for Americans to vote. The President did err, however, when he vetoed the motor-voter bill. We should correct that mistake of his and vote to override his veto.

CABLE TELEVISION CONSUMER PROTECTION AND COMPETITION ACT OF 1992—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. BINGAMAN). Under the previous order the hour of 12:30 having arrived, the Senate will proceed to the consideration of the conference report accompanying S. 12, which the clerk will report.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 14, 1992.)

The PRESIDING OFFICER. There will now be 2 hours of debate on the conference report to be equally divided in the usual form.

The Senator from Hawaii.

Mr. INOUYE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the conference report accompanying S. 12.

Mr. INOUYE. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. INOUYE. Mr. President, I rise today in support of the conference report on S. 12, the Cable Television Consumer Protection and Competition Act of 1992.

At this juncture, I wish to thank the members of the conference and the cosponsors of this measure for all of their work on this bill, particularly the author of this measure, Senator DANFORTH, and the chairman of our committee, Senator HOLLINGS.

The purpose of this legislation is very simple and straightforward: to promote competition in the video industry and to protect consumers from excessive rates and poor customer service where no competition exists.

At the same time, it continues to permit the cable industry to grow and bring to the American public a new array of programming and other services.

Mr. President, this bill represents a balanced and bipartisan package.

To promote competition, the bill ensures that competitors receive access to cable programming, not for free, but for the same price that the programming is sold to cable operators. It permits municipalities to construct their own cable systems in competition with the existing operator, and it prohibits a franchising authority from unreasonably refusing to award a second franchise.

Rates for cable service have risen three times faster than inflation, and complaints about poor customer service have been numerous.

And so to protect consumers, the conference report gives the FCC, and in some cases, local authorities, the ability to ensure that rates are reasonable where no competition exists.

This measure also directs the FCC to establish customer service standards.

Mr. President, S. 12 passed the Senate earlier this year by a vote of 73 to 18.

Because of its wide support and logic, a majority of both Republican and Democrats voted in support of this bill.

Supporters of this bill include: cities, consumer groups, most of the trade unions, public and commercial broadcast stations, the religious broadcasters, and senior citizens.

During the course of the committee consideration of this bill, I suggested many times to the cable industry that I would like to sit down and see if we could work out our differences.

My offers have all been declined. In fact, Senators HOLLINGS, DANFORTH, and I sat down with the head of the NCTA and the owners of the major cable systems last year in an effort to explore some compromise.

Our willingness to compromise was met with hardened opposition.

Mr. President, I want to address the contentions of the Motion Picture Association of America, [MPAA] that its concerns were ignored.

That is not the case. The MPAA opposed the provision in the House cable bill that would have restricted foreign ownership of cable systems.

Mr. President, that provision is not in the conference report.

The MPAA requested that the Senate include language prohibiting a cable operator from requiring a financial interest in a programming service as a condition of carrying that service. That language is in the conference report.

When the retransmission consent provision was included, the MPAA requested that we include report language clarifying that retransmission consent did not have any impact on future determinations concerning the cable compulsory license.

That language was included and is in the conference report. However, after the fact, the Motion Picture Association changed its mind and decided to oppose retransmission consent unless the cable compulsory license was repealed.

The cable compulsory license is a Judiciary Committee issue, and we all know that.

The Commerce Committee has done nothing to prevent the Judiciary Committee from taking whatever action it deems appropriate on the issue.

In fact, the House provided for the Judiciary Committee to participate in the conference, but, the House Judiciary Committee elected not to participate.

Had the House Judiciary Committee exercised its right to join the conference, the Senate Judiciary Committee would have been invited as well.

Finally, it is important to recognize that retransmission consent does not cause any harm to the motion picture studios.

The motion picture studios will not lose $1, or be subject to one additional regulation, as a result of this bill. The conference report states that the motion picture studios are free to negotiate whatever they deem appropriate when they sell their programming to broadcasters.

In fact, some studios have already revised their contracts to require that any compensation resulting from retransmission consent shall be paid to the studio.

Regarding retransmission consent, I also want to note that when the Senate considered this legislation in January, the cable industry supported the Packwood substitute, which contained the identical provision on retransmission consent. Thus, every Member who voted for the substitute or S. 12 voted for retransmission consent.

The retransmission consent provision in the conference report is identical to the substitute provision and S. 12 as approved by the Senate.

This measure will restore to broadcasters the same rights that every other programmer has. All other programmers have retransmission rights today, but the FCC took away the broadcasters' retransmission rights in 1959 to help a fledgling cable industry. There is simply no reason to artificially subsidize the cable industry off the backs of the broadcasters anymore.

The cable industry is no midget. They are giants today. The cable industry has opposed the legislation and has utilized a campaign that included not only misleading advertisements but inserts in cable subscribers' bills and even calls to cable subscribers in their homes in an effort to generate opposition to the bill.

So, Mr. President, I ask unanimous consent to include in the RECORD two articles, one from the Richmond Times and the other from the Washington Post, on this matter. These articles describe better than I can the consumer anger and frustration with some of the cable industry's lobbying efforts.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Richmond Times-Dispatch, Sept. 18, 1992]

CABLE TV LOBBYING SPARKS CALLER ANGER

(By Peter Hardin)

For Sherri Wertz, disabled by multiple sclerosis and living on a fixed income, television isn't only a companion—it's "my best friend."

When a caller warned the Virginian that her cable bill might jump from $50 to $80 per month if Congress passes legislation for the government to regulate cable television, she was alarmed.

So she accepted the man's offer—on behalf of the National Cable Television Association—to have her call transferred to her senator's office free.

It was 10 or 15 minutes later, as Mrs. Wertz was listening to an aide to Sen. Charles S. Robb say cable operators might lose money under the bill, that the telephone line went dead.

Mrs. Wertz, who lives on the Peninsula, is furious.

First she was given misleading claims, she believes, then someone sympathetic to the cable operators who was eavesdropping cut her off at a strategic time.

"How dare you listen to a private conversation! It makes me angry," she fumed.

A spokesman for the industry group vehemently denied that any of the calls it helps transfer to Capitol Hill are listened to or cut off.

"We do not monitor those calls," said Carol Vernon of the National Cable Television Association.

Tempers are flaring as lobbying over a possible return to cable television regulation reaches a feverish pitch.

Backers say the regulation bill, scheduled for a vote in the House of Representatives today, is the most important piece of consumer legislation before the Congress.

The cable television industry has contended just as fiercely in a major advertising campaign, that the legislation would create costs that would be passed on to the consumer and raise their bills.

With full-page advertisements in newspapers, direct mail pleas, inserts in cable bills and spots on cable television channels, opponents have managed to catch a lot of attention.

They've worked so feverishly that key sponsors of the legislation found it necessary to hold a last-minute news conference yesterday to denounce "the big fat lie" and appeal for support among their colleagues.

"Cable has been attempting to hoodwink consumers," declared Rep. Edward Markey, D-Mass., a leader of the bill's backers. He contends the bill is necessary to rein in rapidly rising cable rates.

Both the House and the Senate are expected to pass the measure, a compromise of bills passed earlier by each chamber. It would regulate cable television rates for basic service.

But because the White House has threatened a veto, backers of the legislation are working to produce veto-proof margins of victory, especially in the Senate—where 34 votes will sustain a presidential veto.

In January, the Senate adopted its cable bill 73–18. Under pressure from the White House and other forces, however, it's uncertain how many Senators will support the new version.

The bill approved by House and Senate conferees would require the Federal Communications Commission to set "reasonable rates for basic cable service. That service would include local broadcast stations and government-access channels, such as C-SPAN, and public-access and community affairs channels.

Customers of basic cable service would be able to choose to pay extra for such offerings as CNN, ESPN, HBO, Showtime, the Disney Channel, Nickelodeon, and Discovery.

In addition, the bill would require that cable programming be made available to competitors, such as satellite delivery systems.

[From the Washington Post, Sept. 18, 1992]

CABLE LOBBY: AT THE TONE, GET IRATE AT YOUR SENATOR

(By Guy Gugliotta)

Is nothing sacred? Remember the good old days when the milkman jacked up your prices and told you that "if you don't like it, call your senator." And you did, and sometimes something good happened.

These days senators and congressmen sometimes get a bit jaded with telephone complaints, and who can blame them? Modern technology has given us answering machines, making it possible for voters to complain without having to talk to a human being.

Lobbyists have learned this. Now, with a little coaching, they can induce honest but not particularly knowledgeable voters to gin up an "irate" call-in campaign whenever Congress starts working on something they don't like. The voters may not know what they are talking about, but nobody's on the line asking questions.

This week's "light touch" prize for spontaneous outrage goes to the cable television industry, worried that Congress is going to enact a bill that would regulate basic rates

for a service that many Americans find essential to their well-being.

Those who favor the cable bill—including most Democrats in Congress—charge that the non-regulated industry can now raise rates at will, particularly because one company almost always holds a monopoly.

Those who oppose the bill—the Bush administration, the cable companies and the entertainment industry—say that regulation will mean astronomical subscribers rates forcing cable operators to pay for programs now carried free of charge.

Sound confusing?

Not to worry. The cable companies will explain—in fact, they will listen in to make sure you get it right.

One night this week a cable company in a state that shall remain unnamed called up its subscribers to get them to urge their senator to vote "no" on the cable bill. Then the company patched the calls to the senator's answering machine. A barrage of "constituent complaints" followed, the kind of thing that would ordinarily cause a senator—this one plans to vote "yes"—to quake in his shoes.

Unfortunately for the cable company, its representative forgot to get off the line. Soon the senator's staffers were quaking with mirth as was a reporter who heard a playback. The "spontaneous outrage" had all the subtlety of a guillotine:

First voice (male): "Ma'am, you just speak."

Second voice (female): "I don't know what I'm speaking about."

First voice: "Uh, the cable bill. You don't want your cable prices to go up, right?"

Second voice: "No, I do not."

First voice: "Well, okay, just tell 'em that."

Second voice: "Tell 'em what? I mean . . ."

First voice: "That you don't want your cable bill to go up."

Second voice: "That's all I have to say?"

First voice: "Yes, that's all."

Second voice: "Okay—Senator, I do not want my cable—cable bill to go up."

First voice: "Thank you."

Second voice: "Thank you."

The next caller, better briefed, spoke with authority: "My name is . . . and I hope you vote 'no' on the cable bill." But then he blew it by asking an unnamed third person: "How's that?"

"Thank you," said a second voice.

"Okay," replied the irate caller. "Thank you."

The third caller, obviously unrehearsed, stumbled badly out of the box: "Senator . . ., vote 'no' on that bill . . . please."

"Cable TV bill," snapped the second voice.

"Uh, yeah, cable TV bill," said the irate caller, then asked his coach if he'd done it right.

"Fine," said the second voice.

The senator was not convinced.

Mr. INOUYE. One of the misleading arguments raised by the cable industry is that consumer rates will rise because of a provision in the bill. This concern arises out of the anti-buy-through provision which the industry believes will force them to install addressable systems in every consumer's home. So, to address this concern, the conferees agreed to give the cable operators 10 years to comply with this provision. Further, the FCC is given the authority to waive this provision if a cable operator demonstrates that it will lead to higher rates. In this way, both cable operators and consumers are fully protected.

CABLE RATES

Clearly the concern about excessive consumer rates has been the driving force behind this legislation. The July 1991 survey of cable TV rates by the General Accounting Office demonstrated that cable rates for the most popular basic cable tier of programming increased 61 percent since deregulation went into effect in 1986, while the rates for the lowest priced tier increased by 56 percent. During the same period, the cost of consumer goods only rose by 17.9 percent. Last year, Consumer Reports magazine found that cable rates have increased at a rate almost triple the rate of inflation since deregulation.

In many communities, consumers are paying more today for the basic tier and getting fewer channels than they received in 1986. In Honolulu, HI, my constituents paid $12 for 30 channels in 1986. Today they pay $12.95 for 14 channels, less than half of what they received in 1986. On the island of Maui, consumers paid $11.56 for 34 channels in 1986 and today they pay $14.95 for 9 channels, less than a third of what they had 5 years ago.

Clearly, Congress must respond to the unfair practices that occur when the cable operator is a monopoly. But there is no need for Government involvement where there is competition. The Consumer Federation of America, for instance, found that rates for cable service were 30 percent lower in areas where there was competition.

For these reasons, the conference report does not permit the FCC to regulate rates for cable service where there is no effective competition. The conference agreement further provides that, where there is no effective competition, the FCC must ensure that the rates for basic service are reasonable and that the goal of such regulation is to provide for consumers the rates that would be charged if there were effective competition.

In prescribing such regulations, the FCC shall seek to reduce the administrative burdens on subscribers, franchising authorities, cable operators, and the Commission. There is a separate provision requiring the Commission to also reduce burdens on cable systems with fewer than 1,000 subscribers.

As passed by the Senate, S. 12 required automatic regulation of certain tiers of cable service in addition to the basic tier, if less than 30 percent of cable subscribers took only the basic tier. This provision is not in the conference report.

In addition, both S. 12 and the conference report include what could be called a bad actor provision. The conference report provides that the FCC may regulate, on a case-by-case basis, rates for tiers of programming other than basic if it receives a complaint that demonstrates that a rate increase is unreasonable. The conference report does not permit regulation of programming services offered on a per-channel basis, such as HBO and Showtime.

Finally, the conference report includes the House provision that prohibits cable companies from requiring customers to buy the basic tier and upper tiers before they could purchase premium channels, the anti-buy-through provision. To ease the burden on cable operators, however, the conference report gives cable operators 10 years to comply, and the FCC may waive the requirement if cable operators show that compliance would raise consumer rates.

ACCESS TO PROGRAMMING

The access to programming provisions of S. 12 were designed to encourage competition. These provisions provide other multichannel video providers with access to the programming owned by cable operators on the same prices, terms, and conditions as cable operators.

The conference agreement adopts the House language which has a similar effect as the original Senate provisions. The conference report prohibits discrimination that would have the effect of significantly impeding competition. Exclusive programming contracts are prohibited for 10 years unless the FCC determines they are in the public interest. The FCC may extend the 10-year time period. Programming vendors owned by cable operators may establish different prices, terms, and conditions which take into account economies of scale, costs savings, on other direct or economic benefits.

The access to programming provisions also ensure that satellite dish owners and wireless cable subscribers will have access to programming at reasonable prices.

The conference report does not require cable programmers to give their programming away for free, or even to make it available at discount rates. It only requires that it be made available and that the price not be discriminatory.

RETRANSMISSION CONSENT

The retransmission consent provision is straightforward: When a local station forgoes the option for must carry protection, it may utilize its retransmission rights to negotiate with the local cable system over the terms and conditions of its carriage on the system. Thus, broadcasters will have the option of being treated like any other cable programmer. Cable operators are not required to pay any compensation to broadcasters. In fact, Telecommunications, Inc. [TCI], the largest cable system in the country, has stated that it will not compensate broadcasters for carriage of their signals.

S. 12 will not cause consumer rates to increase because the bill explicitly re-

quires the FCC to consider the impact of retransmission consent on rates in implementing this provision, and the FCC must ensure that this provision complies with the requirement that subscribers' rates be reasonable.

MUST-CARRY

The must-carry provisions in the conference report are very similar to those that were in S. 12, as passed by the Senate. On the issue of stations with sales presentation formats, the conference report includes a compromise that bars such stations from receiving "must-carry" pending the outcome of the FCC proceeding to determine whether such stations are meeting their public interest obligations. The conference report also requires that this proceeding be a de novo proceeding.

Mr. President, it has been argued that S. 12 will irreparably harm the cable industry. I can assure you, as all experts have noted, it will not. Last week's Wall Street Journal stated that the new bill will not hurt cable stocks despite operators' complaints about new financial burdens. That article also quotes a Bear Stearns analyst as saying that the cash of cable operators will not change as a result of this bill.

S. 12 will promote competition, Mr. President, and impose regulation until that competition develops. So I urge all of my colleagues to read the GAO report and the Consumer Federation study and to look beyond the rhetoric being employed by the cable industry to the solid foundation that supports S. 12.

Mr. President, I urge all of my colleagues to support the conference report on S. 12.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Thank you, Mr. President.

Mr. President, I want my colleagues in the Senate to know that the conference report is not, by any stretch of the imagination, the same as S. 12 when it was passed out of the Senate.

Here we are today on the floor of the Senate unnecessarily spinning our wheels in what amounts to nothing more than a special-interest mudslinging contest between competing communication industry segments; debating a massive and, yes, regressive stifling cable reregulation bill.

At the same time, Mr. President, major national communications policy questions critical to our great Nation's economic and social welfare to go unaddressed.

This is unfortunate. In many ways it is tragic. It is an occurrence that is becoming too common here in the Congress. As gridlock, frustration, partisanship overtake the Senate and the Congress, it is becoming increasingly clear that we are seemingly unable to address the major issues of our time.

Today, in America, we are witnessing the dawn of a new era—the information age. As a result of breathtakingly rapid technological developments in the computer software and hardware, consumer electronics, and cable television and telecommunications industries, a true revolution in the delivery of entertainment, information, transactional, and telecommunications services is at hand.

Through a confluence of interests, this information age, digital technology revolution will bring together a broad cross-section of industries that have heretofore considered themselves unrelated. The marrying of the cable converter box with the computer, the digitizing and compression of audio and video programming, the widespread utilization of fiber optic technology, as well as computer software multimedia development, will ultimately allow immediate access to and manipulation of a bounty of entertainment and informational products, educational and instructional services, health care and telemedicine applications, transactional services, huge databases, and the like.

Over the balance of this decade and into the 21st century, this digitization phenomenon will revolutionize the communications industry, have profound implications for the consumer electronics, entertainment, and computer industries, and change our way of life forever.

We in this Congress have a golden opportunity to be America's new high-tech pioneers—an opportunity to explore the new American frontier of high-tech telecommunications and computers that will be unleashed through the deployment of hair-thin, glass strands of fiber optic cable and the crackling of radio spectrum frequencies.

By taking bold, forward-looking actions to accelerate the deployment of advanced telecommunications networks, we could markedly improve our international competitiveness posture and dramatically spur domestic economic growth, productivity and job creation. Furthermore, through advanced educational, health care, and other social services made possible with advanced telecommunications technology, we can establish a quality of life for all Americans which is unparalleled in our Nation's previous history.

Yet, as America stands at this critical crossroads—the dawn of a new, revolutionary era in high technology, entertainment, information, and telecommunications—we are presented with burdensome, unnecessary legislation whose every provision is designed to shackle and constrain one of the shining stars of this coming information age digital revolution.

During the past decade, spurred by the incentive scheme constructed in the 1984 Cable Act, the cable television industry has performed a tremendous service for our Nation. As the cable industry grew, Americans were given access to an unprecedented wealth of information, news and entertainment.

The cable industry has substantially increased channel capacity and developed a host of unique entertainment, information and news services not previously available across the Nation.

Moreover, in important areas such as education, the cable industry has been instrumental in developing innovative distance learning programs, bringing together students and teachers when geographic location, jobs, or home responsibilities would otherwise make learning impossible.

The cable industry created nearly 70,000 new jobs during the 1980's. In 1991 alone, 4,000 new jobs were created by the cable industry. This does not include all the jobs created by the industries that support the manufacturing, distribution, and construction of the materials to operate a cable system. These are not low paying jobs. In my State of Montana, jobs in the cable industry pay nearly double the average wage.

In short, cable television has been an American success story. This success was achieved because Government policies encouraged investment and growth.

What is Congress' response to an industry that creates thousands of new jobs each year, an unprecedented selection of programming for consumers, and technological innovation? A massive cable regulation bill that will impose a stifling regulatory regime on the cable industry, which will in turn discourage investment in increased channel capacity, in innovative programming, and in new transmission technologies such as fiber optics. All of which will be critical to job creation during the remainder of this decade and the 21st century.

The proponents of the conference report propose to take bureaucratic redtape, wrap it around and around the cable industry to the point that new jobs, programming creation, and technological innovation stops in its tracks. I think this is bad news for our economy and bad news for consumers.

Because of the adverse effect it would have on jobs, technology, and programming innovation by imposing yet another layer of stifling Government regulation without removing those artificial obstacles which preclude competition from developing, I, like President Bush, strongly oppose the conference report to S. 12.

There are several fundamental flaws with S. 12.

First, S. 12 is anticonsumer. It would substantially raise cable operating costs. As a result, rates will rise, not go down as promised by the supporters of this bill.

Consumers would be denied the benefits of improved service quality, new

products and services, and expansion of cable to areas not now served.

Moreover, regulatory costs of $22 million to $60 million annually at the Federal level and over $250 million annually at the State and local level would also be paid by taxpayers or consumers.

No one should be surprised if consumers wind up picking up this tab one way or another. Where else is the money going to come from? The sponsors of cable reregulation may not intend for the costs to be passed along to consumers. But will regulators be able to force cable companies to absorb those costs?

Second, in the stifling regulatory environment envisioned in S. 12, cable companies will be discouraged from investing in new, innovative programming and transmission technologies like fiber optics. This massive investment by cable has produced tens of thousands of new jobs.

The mere threat of such a regulatory regime had a negative impact on cable industry investment the last 2 years.

In 1990, for instance, cable industry capital expenditures fell by $268 million, or 13 percent from the previous year's level. This decline followed a trend of double digit increases following deregulation in 1984. In 1991 capital spending fell another $150 million.

Third, the conference report does not remove the existing barriers to increased competition in the video services marketplace. For instance, S. 12 does not attempt to address the prohibition on telephone company provision of video programming. Moreover, cable companies are not encouraged to launch a competitive effort into the telephone business. As a result, S. 12 fails to modify the existing disincentives on telephone and cable television company investment in advanced telecommunications technologies.

In fact one of the only procompetitive provisions in the bill—a modest expansion of the rural exemption which would permit telephone companies to compete with cable systems in rural America—was unceremoniously stripped from the bill in conference. Thus, to hear this bill called procompetitive is simply false.

S. 12 also does not sufficiently modify the existing treatment of the local franchise requirement which, in effect, results in an exclusive, monopoly license to provide video programming.

I, like President Bush, believe that competition, rather than reregulation, creates the most substantial benefits for consumers and the greatest opportunities for American industry.

Competition, as I have proposed in separate legislation—which was coauthored with Democratic vice-presidential candidate AL GORE, endorsed by the Bush administration, and whose goals were embraced by Governor Clinton—would drive down rates and improve service quality for consumers, while promoting industry development and technological innovation.

According to one independent study, competition could result in $4.41 billion in annual benefits or $80 per year for each cable subscriber in America.

The television marketplace is evolving and increasingly competitive. Since the debate to reregulate the cable industry began 3 years ago, the FCC has taken several significant steps to increase competition in the video programming marketplace, most recently authorizing telephone companies to deliver video programming to consumers through video dialtone service.

The FCC also changed its effective competition standard, making nearly every cable system's basic tier subject to local rate regulation today. The full impact of these actions has not yet been felt, and there are a lot of unknown actions out there.

The conference report looks to the past to resolve today's problem—with no eye to the future. We need to consider how the legislation will affect telecommunications consumers tomorrow and the day after tomorrow—and the day after tomorrow how we compete, not 5 years from now, but 20 years from now. The ongoing digital revolution in communications products and technology is driving dramatic changes in the marketplace and regulation. If we limit cable's ability to compete in the many promising new communications services that are on the horizon, we will damage its ability to compete in the many promising new communications services that are on the horizon.

In conclusion, Mr. President, the adverse effect of S. 12 will have a long-term negative impact on our national welfare because it will substantially delay the deployment of an advanced telecommunications infrastructure essential to our long-term national prosperity and quality of life in the coming information age I described earlier.

The technology of the information age will be developed, controlled, and exported by countries that encourage a steady stream of ideas and innovations in communications, not in countries that construct an array of regulatory obstacles and barriers.

Cable operators and programmers are preparing for the 21st century by continuing to expand viewer choices and to develop new technologies. The conference report accompanying S. 12 would not further these efforts—in fact, it would have a contrary impact. In the end, consumer choice could be drastically reduced. That is why I will continue to work to defeat this bill.

Mr. President, I ask unanimous consent that the veto message by Mr. President Bush be entered into the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, September 17, 1992.

Hon. ROBERT DOLE,
Republican Leader, U.S. Senate, DC, Washington, DC.

DEAR SENATOR DOLE: I am writing to express my strong opposition to the Conference Report to accompany S. 12 (Cable Television Consumer Protection and Competition Act of 1992), which the House and Senate will consider in the next several days.

This legislation will hurt Americans by imposing a wide array of costly, burdensome, and unnecessary requirements on the cable industry and the government agencies that regulate it. The heavy-handed provisions of the bill will drive up cable industry costs, resulting in higher consumer rates, not rate reductions as promised by the supporters of the bill.

The bill also restrain continued innovation in the industry, cost the economy jobs, reduce consumer programming choices, and retard the deployment of growth-oriented investments critical to the future of our Nation's communications infrastructure.

My vision for the future of the communications industry is based on the principles of greater competition, entrepreneurship, and less economic regulation. This legislation fails each of these tests and is illustrative of the Congressional mandates and excessive regulations that drag our economy down.

Congress would best serve consumer welfare by promoting vigorous competition, not massive re-regulation.

For these reasons I will veto S. 12 if it is presented to me, and I urge its rejection when the House and Senate consider the Conference Report.

Sincerely,

GEORGE BUSH.

Mr. BURNS. Mr. President, I ask unanimous consent that an array of editorials by major newspapers across the country, all the way from the Dallas Morning News, the Wall Street Journal, saying that this business of reregulation is very dangerous especially in this area, be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 19, 1992]

UNCLE SAM IN CHARGE OF CABLE

The cable legislation approved by the House and now headed for a Senate now calls for the federal government to step in and reregulate the industry from rates to program packaging. But this approach assumes that cable, now supplied mostly by monopolies, is a utility as necessary as electricity or telephone service. In fact, cable is a consumer option in what should become a more competitive market. This particular bill would give government a role in cable that consumers may not find so welcome over the long haul.

Forget the cable industry ads predicting that passage of the bill would send everybody's cable rates through the ceiling. Forget as well the arguments of supporters—including over-the-air broadcasters, who like a provision that would force cable operators to negotiate with them before retransmitting their signals—that the bill would force price cuts of up to 30 percent. Both sides—and we note here that The Washington Post

Co. owns cable systems as well as broadcast televisions stations—have resorted to heavy lobbying. So has the motion picture industry, which opposes the bill because Hollywood wouldn't get any cut of the royalties that broadcasters could seek from cable operators.

Under the measure, the government would set "reasonable" rates for what it would define as "basic" programming, control prices for installation and equipment, require efficient customer service and force cable operators to equip all subscribers for channel selections that now are sold as packages of channels. The result of all these requirements is not more competition; it's more likely to be cost-cutting by eliminating cable programming or even entire channels.

The effort to control gouging by cable operators should focus on increasing competition, not on heavy reregulation. Until competitors do materialize, some determination of a reasonable rate of return for certain basic cable service is a legitimate legislative pursuit next year. This bill goes overboard.

[From the Wall Street Journal, Sept. 17, 1992]

CABLE KIBOSH

The cost of two tickets to a Broadway show is now more than $100. The $5 movie ticket is a thing of the past in most cities. But is anyone calling for federal price controls on Broadway or the movies? Yet that's precisely what Congress will do to cable television if it passes a bill to reapply 1970s-style regulation to the industry.

Voters are in an ugly mood, and incumbents are desperate to show effort for the folks back home. It's no surprise Congress has seized on cable TV rates, which have gone up faster than the rate of inflation and are a sore point in many of the 60% of American homes with cable. But rather than find ways to make the industry more price competitive. Congress is on the verge of short-circuiting a new, promising technology for short-term political gain.

More troubling, there are rumblings that the Bush administration will take a pass on a long-promised veto. That's because House Minority Leader Bob Michel has gone over with the re-regulators (and the broadcasters), calling into question a veto-override vote.

The bill before Congress is a nightmarish morass of rules that can only impede the development of cable technology and new programming. Venture capitalists won't want to become hostage investors in cable under a provision requiring them to wait three years after purchasing a system before they can sell. The bill so micromanages cable companies that it even specifies the number of phone lines they must have to handle complaints.

The cable industry, for all its lobbying and moaning, isn't particularly credible because of its record of defending local cable monopolies. After the industry secured the deregulation of cable-service prices from Congress in 1984, it continued to insist that cable was a natural monopoly and that cities should grant just one franchise per city. This ignored the record of the 65 cities that allow more than one cable operator. In those more competitive areas, cable TV prices *fell* an average of 25%, and subscribers had fewer service complaints.

By seeking to protect their noncompetitive franchises while defending their right to run up prices, the cable industry invited Congress to re-evaluate its 1984 decision to deregulate. Defenders of the cable bill before Congress claim it will work against monopolies by barring cities from awarding "exclusive" cable franchises, but that is legal gobbledygook. Few cities award explicitly exclusive franchises, and no one thinks the bill will affect any of their cozy deals with local cable firms.

If Congress would only resist the temptation to keep changing the signals it sends on cable TV, emerging new technologies will make many of the complaints about the industry moot. Local telephone companies will soon be able to transmit TV signals using digital and fiber-optic technologies. Computers will be linked with TV monitors to offer a variety of viewing choices that will make today's cable systems as outdated as a rabbit-ears antenna. But there is no way the benefit of these emerging technologies can be fully realized if Congress insists on second-guessing the process every step of the way.

[From the Dallas Morning News, Aug. 15, 1992]

CABLE TV: RATE REGULATION ISN'T THE BEST ANSWER

With an enormous budget deficit breathing down its neck, Congress cannot afford to court the voters' favor this year by approving a big, across-the-board tax cut. So lawmakers have had to look for other means to show empathy for their constituents' economic plight. One way has been to go after the cable television industry in hopes of driving down rates.

A conference committee is about to consider House and Senate bills that would reregulate cable TV. Eight years ago, Congress relieved cities and counties of that regulatory authority. At the time, the cable industry argued that local control no longer was necessary, since its competition with broadcast TV, videotape rentals and other forms of entertainment would hold down rates.

As any cable subscriber knows, that has not worked as well as planned. Rates have gone up substantially, and customers continue to complain about service.

Enter Congress, with its proposed price controls. Both House and Senate measures would require the Federal Communications Commission to set the rates for basic cable service; local officials then would be responsible for administering the schedules. The House bill also would punish cable operators who charged "unreasonably" for more specialized programming.

Virtually everyone agrees that problems exist with cable TV. But the idea of Congress again allowing communities to play politics with local franchisees is hardly comforting. President Bush has promised to veto the legislation, as well he should.

But, then, what will help consumers? Healthy competition. Satellite services and other technologies are gearing up to vie with cable companies. The government should do whatever it can to encourage that competition, so that viewers can choose from among various channel providers.

As appealing as reregulation may be at the moment, it is no long-term answer. Over time, price controls can become either unduly restrictive or unenforceable. The best remedy is to give consumers who want their MTV additional ways of receiving that programming. That is where business and government should be focusing their attention.

[From the Des Moines Register, Aug. 3, 1992]

DON'T RE-REGULATE CABLE TV

Consumers may not have liked it when the chain that operates all but one movie theater in the Des Moines area raised its rates last year. But despite increases in movie-ticket prices, from $4 to $5.50 since 1988, nobody has given an instant thought to calling for federal regulation of movie-theater prices. Why? Because going to the movies isn't an essential activity. There's simply no need for government involvement.

That's the way it is with cable television, or at least the way it ought to be. It's nonessential activity, an add-on entertainment service that expands on what most consumers can get, at no charge, over the airwaves. But Congress nonetheless is on a tear to reregulate cable rates. Lawmakers, for the second time in two years, are trying to make their constituents happy by fighting the cable industry.

Last time sponsors weren't able to round up enough votes. This time legislation has been approved by both Houses of Congress and now is in a House-Senate conference committee. The only thing that could derail the stampede is a threatened veto from the president.

There's no question that since cable operations were deregulated in 1984, increases in rates have been outrageous, three times the rate of inflation. Proponents of re-regulation argue that the industry gets by with hefty price hikes because 97 percent of cable systems operate where there is no effective competition.

But tinkering by Congress may not help. One way or the other, cable operators will get their profit. It could be by accelerating the trend toward pay-for-view or by reducing service. The proposed legislation would try to limit pay-for-view, but would not prohibit it.

In some respects, the cable industry has been its own worst enemy. Not only have prices increased rapidly, customers in many areas also complain about poor service. While the number of channels offered has expanded, customers in some cities get far more for their money than those in other cities.

Still, cable is increasingly popular—more than 60 percent of all homes now are wired. Those paying the bills in those households have an effective option if they don't like the price. They can discontinue the service. That's a much better option than what's now being considered in Washington.

[From the Miami Herald, Aug. 3, 1992]

LET'S NOT RERUN THAT TURKEY

Don't touch that dial or zap that channel. Congress, which helped bring you the ever popular serials Federal Deficit and Savings-and-Loan Debacle, is about to solve all your problems with the local cable TV company.

A conference committee is about to consider House and Senate bills reregulating cable. In 1984 Congress stripped cities and counties of that regulatory power. Cable operators said that they compete with broadcast television, videotape rentals, and other forms of entertainment. That competition, they said, would hold down rates.

It didn't work: Most rates soared. And customers continued to complain about shoddy service. The cable operators say that this happened because they spent money to improve programming. Consumer advocates say that the programs don't justify the skyrocketing rates.

The prospect of Congress again allowing city and county commissions to play politics with cable franchisees under the guise of consumer protection is hardly comforting. It didn't work then. It won't work now.

What will work? Meaningful competition that offers the same or comparable program-

ming. Some people really do want their MTV, and ESPN. Direct-broadcast satellite services and other developing technologies can provide this healthy competition. But these providers must be given a fair chance to buy the programs.

Some cable companies own all or a piece of the companies producing and selling the programs. In return for their investments, they receive the programs at a significantly reduced price. Competitors pay far more.

Normally this is just good business in a free market. But cable is neither a normal business nor a free market—not when there's a monopoly over the cables.

The result: Congress wants to force sales at the same prices. If this is what is needed to foster fair competition, so be it. But Congress should do nothing more than what is needed to promote fair competition. The cable conundrum hardly demands a cumbersome, expensive, and possibly ineffective local or federal reregulation.

[From the Denver Post, July 30, 1992]

CABLE BILL SHOULD DIE

George Bush should, as he has threatened, veto a cable TV regulation bill that Congress passed last week. It's poorly written and contradictory piece of legislation, adorned with so many gimmicks that it resembles a Christmas tree decorated with items from the local junkyard. Worse, in the long run it could harm consumers.

The Senate version would force cable TV companies to negotiate with local broadcast stations for the right to carry their signals—Mile Hi in Denver and United Cable in the metro suburbs, for instance, would have to bargain with local channels 2, 4, 6, 7, 9, 12, 20, 31 and 57, each of whom could drive their own bargains.

Of course, the broadcast stations would demand money from the cable company for the privilege, and those costs would be passed on to consumers through higher monthly cable bills or by the cable TV companies dumping some channels they now offer, to save money. This outcome could hardly be called consumer protection, as some members of Congress claim.

In the House version of the bill, the Federal Communications Commission would have to draw up a formula for cable TV prices across the country—never mind that circumstances may vary so much from city to city that a nationwide equation might be unworkable in some places. Local governments then would have to figure out how the formula applies in their cities and force the local cable TV company to comply—in other words, local governments would have to play traffic cop on a road designed by bureaucrats in Washington.

Congress isn't giving local governments any money to handle the new responsibility—even though some experts figure the nationwide cost of reregulation at about $200 million a year—so cities would have to come up with the dough on their own. In Denver's case, that means the city would have to take some of the $1.53 million it got from Cable TV franchise fees this year—which went right into the city's general fund—and instead use it to hire bureaucrats to decipher the FCC formula. That factor is one reason that Bill Bradley, telecommunications chief for the city of Denver, opposes the cable TV reregulation proposal.

Bradley, who has been the head of a national group of municipal cable TV regulators, instead thinks local governments and cable television companies ought to sit down at the bargaining table and work out a common-sense compromise themselves. Bradley's idea is a darn good one, but unfortunately Washington isn't listening.

The cable TV industry enjoyed freedom and profits during the 1980s, and it could have thrived for years in that business paradise had it improved consumer service and not been greedy. Now that consumer discontent has collided with election year jitters in Washington, a bad idea is on the verge of becoming law.

Bush so far has a perfect record on vetoes. Hopefully, this promised veto will stick as well.

[From the Chicago Tribune, July 29, 1992]

CONGRESS' CLUMSY CHECK ON CABLE RATES

A record budget deficit has made cutting taxes impractical and dangerous so Congress is trying to find other ways to curry favor with middle-class voters. Lawmakers think they've hit on something. The House last week voted 340 to 73 to impose new price regulations on the cable television industry. In January, the Senate, by a 78-to-13 margin, did the same.

The lopsided votes give lawmakers a carrot to dangle before more than 54 million households that subscribe to cable and their first decent shot at overriding an expected veto by President Bush.

Rep. Edward Markey, a Democrat from Massachusetts, urged thinking about re-regulating the cable industry "as a $6 billion tax cut for consumers."

But in trying to undo the negative effects of past action. Congress is wielding such a heavy hand that instead of reducing rates, it could end up costing cable subscribers. The companies will file for higher rates to cover the new law's mandates. If they aren't granted, services and investment likely will be cut.

To spur growth, Congress began to deregulate the cable industry in 1984. By 1987, nearly all government rate regulation had been removed. Lawmakers believed competition from satellite and direct broadcast systems would hold down rate increases, but cable companies negotiated exclusive franchises in most cities and new technologies didn't develop rapidly.

As a result, cable companies were free to raise rates. Increases far outstripped inflation. In some communities, rates doubled or tripled. Despite expanded programming, many customers became irate, especially when they couldn't get prompt and courteous service.

As a remedy, Congress wants the Federal Communications Commission to set national rate ceilings. Then, it would return regulation to the local authorities. The House bill would allow oversight just on a basic level of service and set up a special mechanism to go after abusive operators. The Senate bill goes farther and allows cities to regulate a broader range of services.

As a temporary measure to correct the abuses of natural monopolies, some rate regulation may be a tragic necessity. The danger, however, is that it may become overly burdensome and permanent. Competition is the best way to discipline cable operators, spur innovation and drive down costs and prices.

The FCC knows this. It voted this month to allow telephone companies to carry television programming, as well as calls, on their lines. Unfortunately, the decision won't have an immediate impact on cable rates, because it will take years for the phone companies to upgrade their networks for video service.

Instead of limiting itself to worrying about rate regulation and protecting would-be competitors, Congress would unnecessarily restrict the cable industry. It wants, for example, to dictate equipment standards and fees and limit marketing practices. Generally, it intrudes too far into cable management.

Even if the votes appear sufficient for an override, President Bush should stick to his pledge and give Congress a fight on this clumsy cable legislation.

CABLE TV REGULATION: PHONY CONSUMERISM IN AN ELECTION YEAR

What will we ask the federal government to do for us next?

In a fit of demagogic pandering, Congress is in the process of passing a bill that will encourage excessive regulation of the cable TV industry, including the rates charged to customers.

I am hard pressed to think of a worse example of government mischief. Having heard from cable TV customers griping about rate increases, obedient congressmen in an election year are passing a truly lousy bill that injects government into rate-fixing merely because consumers would like to pay less.

Normally, under our hallowed free enterprise system, when a seller charges too much for a product or service the consumer asserts her power simply by not buying. The only legitimate exception to this eminently workable rule is when the service is essential and most efficient to deliver as a monopoly, such as telephone or electric service. Cable TV is not essential and need not be a monopoly. It makes no more difference in the grand scheme of things whether a given cable company offers good service at fair prices or not. Even when normal marketplace conditions produce cable TV companies without direct competition, the case does not exist for government regulation.

The federal government should have taken a lesson from the city of Columbia, which tried for years to regulate cable TV rates in exchange for granting a "franchise." The arrangement was bogus. Predictably, it did not work, and eventually officials wisely decided to end regulatory activities. Courts also have weighed in with a variety of decisions limiting excessive regulation of cable TV companies by overeager government entities.

Columbia's city charter prohibits the granting of exclusive franchises, meaning no company of any kind can have a government-granted monopoly. If the feds wanted to pass a good law, they would have limited themselves to this requirement. In many markets, even anti-trust rules will not result in head-to-head competition, but so what? The proper role of the government is fulfilled if it guards against restraint of trade. It is out of bounds when it tries to decide what is a fair rate for non-essential services operating in the free marketplace.

Everybody would like to pay less for movies. In lots of towns, only one movie house operates. Maybe the federal government could get into regulating movie prices. Certainly, the availability of movies at fair prices is just as important as cable TV. If we want the government to keep a lid on pricing for cable TV, what product or service would be exempt from such attention?

Let's let Big Brother take over all our used-to-be free market decisions so we can really enjoy this good life.

[From the St. Paul Pioneer Press, July 28, 1992]

CABLE BILL NEEDS MORE CONSUMER PROTECTION

Now that the House of Representatives has joined the Senate in a veto-proof vote to re-regulate the cable television industry, Americans can look forward to the mixed blessings of price controls. Basic cable rate increases will slow, so, quite possibly, will new program development and other innovations.

As we argued during Senate deliberations last winter, the rate re-regulation seems a reasonable risk. But this bill still includes provisions that are anything but consumer protection. They are, in fact, requirements that consumers subsidize cable television's competitors. Those provisions should be stripped from this bill.

Cable rates have increased punishingly since the industry was largely freed from regulation in 1984 (by about 60 percent on average nationwide, and more in many areas). And because most cable operators function as monopoly providers, rate regulation is justified. Such regulation would be discontinued whenever "effective competition," defined as a competing cable or satellite video service, develops in a given community.

Federal Communications Commission guidelines, meanwhile, should prevent local regulatory units from returning to the parsimonious price limits that stunted cable's development in the 1970s and early '80s.

But the misguided provisions still clinging to this bill should be opposed by all consumers. The Senate bill, though not the House version, allows broadcasters to charge fees to cable operators for the retransmission of broadcast signals. This would amount to allowing broadcasters to use cable operators as bill collectors, who will of course pass these fees along to subscribers.

But broadcast television is supposed to be free: that's the broadcasters way of paying for use of the public airwaves. They should not be allowed to charge for their signals just because a consumer chooses to receive them via cable rather than through an antenna.

Other provisions that will pick consumers' pockets include a requirement that cable operators equip every subscriber home to receive premium channels, whether the subscriber wants those channels or not. This will saddle all cable subscribers with a capital cost that benefits the premium program distributors, whose service will become cheaper. But it will be cheaper only because the technical cost of hookup will have been shared by people who don't even want these services. People shouldn't be forced to subsidize products they don't want.

If it can be cleansed of these anti-consumer provisions in conference committee, the cable re-regulation bill makes sense. Rather than pointlessly vetoing the entire bill, President Bush should use his influence to lobby for the removal of these special interest goodies, and then sign off on rate re-regulation.

[From the Akron Beacon Journal, July 27, 1992]

REELING OVER CABLE

Consider cable television another entitlement program. At least, that's the thrust of legislation approved overwhelmingly in the House last week calling for re-regulation of the cable television industry.

Of course, in 1984, Congress deregulated cable, and the result has been a flourishing industry. The number of channels has increased. The quality of programming has improved. Cable has more subscribers than ever, roughly 54 million and rising.

So, why regulate the industry again? Lawmakers are convinced the price of cable has gotten out of hand. And to be sure, monthly subscription rates have risen by more than 50 percent, reflecting, in part, the virtual monopoly that franchises have.

The price increases, however, should be put in context. After all, as prices have gone up, the industry has attracted more subscribers. What's more, price increases have moderated in recent years, and competition looms from more advanced TV technology. In that environment, the new controls suggest a wish to provide everyone with access to cable, in a word, an entitlement, no matter the impact on the industry.

Unfortunately, for all the talk of doing consumers a favor, the House bill, as well as even more troubling legislation approved in the Senate, would stifle innovation. It would diminish opportunities for improved programming, as tight regulation did a decade ago. That's hardly consumer friendly.

In an election year, it's hard to overlook the politics at work. Faced with a huge budget deficit and an agreement with the White House that limits spending, the Democratic majorities have few issues to tout. The cable bill offers taxpayers something before November.

And sure enough, U.S. Rep. Edward Markey, the Massachusetts Democrat, provided the sound bite: "Think of this bill as a 6 billion tax cut for consumers."

President Bush has pledged to veto the legislation, arguing, quite rightly, that such re-regulation is overkill for what is isolated price-gouging. He might add that in an industry that is as rapidly changing as cable television, it's silly to think that Congress can write broad and effective laws. Better to head in the other direction, toward greater competition, allowing cable to pursue the many alternatives that busy consumers want.

[From the Quincy (MA) Patriot Ledger, July 27, 1992]

CABLE TV PROTECTION FRAUD

Congress should zap legislation reimposing rate regulation on cable television. The proposed remedy could drive your monthly bill up instead of holding it down.

For the last few years our congressmen have been trying to produce a regulatory program that would be a big hit with consumers angry over cable subscription rate increases.

Congress has gotten involved because in most communities cable companies enjoy a monopoly and local government control over rates ended five years ago. Not surprisingly, the result has been a surge in prices charged viewers—increases cable companies blame on higher costs of service and programming and viewers denounce as unregulated greed. Part of the problem is that cable prices in the startup years of local franchises were artificially low.

Normally, competition would resolve price-and-service questions in the marketplace. But as yet meaningful competition hasn't developed in most cable markets. What Congress should have done, therefore, is to provide some basic protection to the consumer from price-gouging and encourage competition, such as from rival cable companies, or satellite or microwave transmissions.

Instead, House and Senate bills propose regulation that gives the illusion of consumer protection without the substance. The House bill crafted by Rep. Edward J. Markey, D-Mass., for example, would require the Federal Communications Commission to establish a formula for the maximum rates for basic cable service. This service would have to include local broadcast TV stations plus "superstations" such as WTBS.

This is phony consumer protection. It essentially controls prices only on a package of stations most Massachusetts viewers can capture with a roof-top antenna for free. Most subscribers buy cable service for program diversity, through a wider menu of channels, or for a premium channel such as Disney or Showtime.

The outcome is predictable: With price controls on a narrow selection of stations, cable companies will split off desirable stations—such as CNN, MTV, Lifetime and ESPN—and start charging premiums for them. So what would consumers really gain in the end?

The Senate bill is flawed because it would impose strict regulation over a wider range of services and would require cable companies to pay fees to broadcast TV stations before carrying their programs. That would cost you too. Cable companies would wind up adding the extra charge to your monthly bill.

Ironic, isn't it—a law under which you could pay for receiving a channel you can now get for free without cable, maybe even with the old rabbit-ears antenna?

Instead of this nonsense, Congress should have authorized states to give some regulatory muscle to state cable commissions, including the power to review excessive rate increases and serious service complaints and to act against abuse.

The long-term resolution to holding down cable rates is competition from new technologies, not imposing federal rate regulation.

[From the Kansas City Star, July 26, 1992]

SECOND THOUGHTS ON CABLE BILL

In recent years the cable TV industry has been its own worst enemy. Rates have risen three times faster than inflation and in many markets service quality has declined. Congress has listened to these complaints, and for the third time in as many years, is attempting to re-regulate the industry.

It is easy to sympathize with this effort, but second thoughts intrude: Is it appropriate to treat cable television as a public utility? Cable delivers serious fare such as CNN and C-SPAN, but mostly what we're talking about here is entertainment—video confections such as comedy or home-shopping channels. Subscribers who cancel won't freeze in the dark, and will have more disposable income to boot.

Nevertheless, Congress is proceeding on the unstated assumption that the American public is *entitled* to "fair" rates for cable service. In consequence, our lawgivers have occupied many hours in a vain attempt to arbitrate conflicts among programmers, operators and broadcasters.

Operators want cheap programs. Programmers want exclusive contracts and fat fees. Broadcasters don't like cable operators transmitting their signals for free. Hollywood wants no provision that will diminish royalties. Why not let the market sort this out?

A key provision in the House measure would direct the Federal Communications Commission to decree a nationwide price for basic service tiers if a state or local government complains. One august lawgiver even

tried to force cable operators in some markets to carry Home Shopping Network, which is based in his district.

The FCC has taken a more far-sighted approach that promises to spur competition and encourage the development of new technologies. The commission has approved a measure allowing telephone companies to offer video services. Further, it has recommended that Congress permit cable and telephone companies to enter each other's businesses.

The FCC move unmasks the congressional approach as threadbare, and deserving of the veto threat it has drawn from President Bush.

[From the Boston Globe, July 23, 1992]

PROTECTING CABLE TV CUSTOMERS

Cable television exists in a nether region between open competition and monopoly. A bill in the U.S. House of Representatives, with some significant changes, would provide adequate regulation of this thriving industry.

The bill would establish an important principle, that a basic tier of channels consisting of over-the-air stations such as Boston Channels 2, 4, 5 and 7 and community access services, should be subject to price regulation. This would also allow anyone being gouged by prices for more elaborate services to switch to the less costly tier.

But the bill goes too far when it includes such superstations as WTBS in Atlanta in the cheapest tier. The cable companies ought to be able to charge what the market will bear for these frills.

The bill would also overregulate the industry by specifying that channels above this least expensive tier—Nickoloden or MTV, for example—would be subject to regulation if the rates become unreasonable. The option of a low-cost tier gives consumers adequate protection.

In the conflict between the cable companies, who want to use broadcast channels without charge, and the broadcasters, who want to be paid for their product, the bill would neatly split the difference.

Cable would be required to carry all broadcast signals in its area so that consumers cannot be denied the opportunity to view less popular stations. Since broadcasters get adequate revenues from advertising, the House version wisely makes no mention of a Senate proviso that could force cable companies to pay owners of the most popular TV channels for the use of their signals. With cable companies likely to pass through any charges, consumers would be the ultimate victims of the Senate plan.

In small ways the bill seeks to protect consumers by allowing local officials to regulate the price of Super Bowl or World Series broadcasts if they are ever switched to pay-per-view channels. It would require cable companies to tell customers that they can buy remote control gadgets from electronics stores, instead of paying monthly fees.

Rep. Edward Markey (D-Mass.), whose subcommittee crafted the bill, has threaded his way carefully through a gantlet of competing industries. Markey will play a significant role when the bill, expected to pass the House today, is reconciled with the Senate version in a conference.

President Bush has threatened to veto anything that overregulates the industry. The conference ought to be able to devise an alternative that provides cable consumers with greater protection yet leaves the industry profitable enough to face challenges from new competitors.

[From the Cleveland Plain Dealer, July 23, 1992]

FOR A RESTRAINED GRIP ON CABLE

If the House truly had consumers' interests at heart, then in today's debate on reregulating cable television it would concentrate on the issue that supposedly has raised most constituents' ire; unjustifiably steep rates charged by monopolistic cable companies. That's a legitimate gripe in some places. Unfortunately, at the risk of damaging the industry, lawmakers have decided to address a wider range of concerns that are not nearly so compelling from the subscribers' perspective.

The public, however, is not likely to have empathy for cable operators who, in what may be a losing cause, contributed $466,650 to congressional incumbents seeking re-election. But viewers also should be aware that the National Association of Broadcasters, seeing cable as a rival instead of a partner, has donated $332,337 to those campaign coffers.

Cable spokesmen, while they would prefer no regulation, concede that government controls are inevitable because the public perceives—correctly—that some companies have indulged in price gouging and lawmakers have heard customers' cries of pain and outrage. The industry, out of self-interest but not unreasonably, has suggested that any new regulations be limited and should be enforced by a federal agency rather than local governments.

The broadcasters have entered the picture because they have lost viewers—and income—to cable. While they once begged cable stations to carry their programs for free, they now are asking Congress to force cable to pay for the service. That would add an estimated $1 billion a year in costs passed on to consumers. It would contradict the intent of price reregulation.

The Senate has passed a reregulation bill that goes beyond concern for basic rates. Should the House follow suit, subscribers could have reason to regret what is being done in their name, especially if cable companies try to offset lost revenues by offering fewer programs. The remedy offered by some analysts—to scale down the legislation in conference—may be the best hope for crafting a law that discourages cable's greed where necessary, but does not stifle its entrepreneurial endeavors.

[From the Orange County Register, July 20, 1992]

HAYWIRE REGULATION

The decision by the Federal Communications Commission to permit regional telephone companies to transmit television programming into people's homes opens up a wide range of opportunities—for phone companies and other businesses, and for consumers. The decision should derail an effort in Congress to place new rate regulations on the cable TV industry. Competition is a much more effective and consumer-friendly way to keep prices down than is regulation.

The FCC decision doesn't do quite as much as is desirable to facilitate effective competition for the cable companies. The FCC decision allows phone companies to own as much as 5 percent of the programs they deliver; Congress would have to act to increase that percentage or to allow phone companies to get into the business of producing and originating programs.

This decision demonstrates how much technological progress in our society now depends on essentially political decisions that are usually influenced by special interest lobbying—or are outright whimsical. People have been talking about the capacities of fiberoptic cables—the best medium currently available for phone companies to transmit TV programs—for years. But the phone companies were restricted by laws, many written before recent technological developments, from offering effective competition—to cable TV companies. Various special interests—including most of the newspaper industry, which also fears possible competition—have fought to keep the phone companies in their boxes by force of law. So consumers get only the technology the political process lets slip through rather than the best and most innovative new ideas scientists, business people, and entrepreneurs can develop.

Some authorities have been estimating that it could take a decade and an investment of up to $400 billion (about what the federal deficit is in one year) for the phone companies to replace old copper wires with fiberoptic cables throughout the country. The implication supporters of reregulation want to draw is that the promise of TV on the phone lines is a long way off, so we need regulation in the meantime. But it won't take a decade—or nationwide hookups—for the competition to have an effect.

Some regional companies will move quickly. Some may choose to use "video compression," which would permit the use of existing copper wires—not quite as desirable as fiberoptics, but easier to get going quickly. And some new technology better than fiberoptics might well emerge in the next decade.

A decision that allows existing technology to be used is welcome. But it shouldn't be necessary to beg some federal agency to use new technologies or try new businesses. Drastic deregulation—perhaps including elimination of the FCC itself—would be the best way to facilitate innovation (and help spur an economic recovery). Which political candidate is ready to call for it?

[From the New York Times, July 20, 1992]

HOW TO BREAK THE CABLE SQUEEZE

Cable television companies, free of meaningful competition and, since 1984, of regulation, have been socking customers with immense rate increases. The House votes this week on putting an end to the gouging. The Senate passed its version of cable reregulation earlier this year, so a "yes' vote in the House would successfully conclude an uphill, three-year battle.

Even so, viewers will need to beware. The House bill re-regulates with heavy hand instead of a light touch, saddling cable companies with burdensome regulations. The threat is that costly regulations will force local authorities to grant large rate hikes, or force cable companies to cut service and put off investment in new service.

The right, light touch would be to rein in the bad actors—cable companies that shamelessly exploit captive audiences—and pave the way for the competition from satellite broadcasters, "wireless" systems and other entrants. There's a model for smart re-regulation. The House passed just such a bill two years ago, but it was buried in the Senate.

It's too late now for the House to vote "no" on the pending bill; there's no telling how long it would take to push through a better one. But just passing the bill is not a valid option either; President Bush is sure to veto it. That leaves one constructive way out: for the House to pass the bill but agree to prune its excesses in the consequent conference with the Senate.

The bill would require the Federal Communications Commission to set guidelines for the price of basic service by cable companies that operate without meaningful competition. But this bill unnecessarily roams far beyond retransmission of broadcast networks and public-access channels, the objects of the 1990 version. For example, the bill includes long-distance broadcasts from super-stations like WGN in Chicago.

The House will also vote on a provision that would virtually prohibit exclusive contracts: agreements by which programmers, for a lucrative fee, agree to sell to only one cable system. Often these contracts would be rightly prohibited as anticompetitive; they keep popular programs out of the hands of cable's competitors. But they can also be a lifeline for start-up programmers, and a lifeline for viewers hungry for something new.

The 1990 version would have allowed pro-consumer exclusive contracts; the language the House is expected to consider this week, in effect, would not.

Re-regulation could never be the ideal response to angry customers. Over time, even well-written provisions become ineffective. A better answer is more competition. Last week, the F.C.C. took a giant stride in that direction by voting to allow telephone companies to provide TV services.

They are unlikely to do that, however, for a decade. Satellite broadcasters might enter earlier, though no one knows for sure. So until the day that customers can pick and choose among multi-channel providers, re-regulation is needed. The best way to achieve it is for the House-Senate conferees to undo the excess and preserve the essence: Control basic service, eliminate all egregious behavior and protect competitors trying to gain a foothold. Cable customers need protection and fair charges; overprotection would mean overcharges and under-service.

[From the Atlanta Journal, May 22, 1992]

CABLE TV BILL MEANT WELL, BUT HAS BECOME OVERLOADED

Politicians know numbers, as in votes. And they like nothing better than to stand up for the little guy against giant monopolies. Sometimes they do it right, but too often even good intentions give way to evil outcomes.

So it was two years ago that Congress decided to look at a bill that would lower cable television rates nationally. Sixty percent of American homes now have cable. It is available to 90 percent of them.

Congress is involved because back in 1986 it did the right thing. It deregulated the mammoth industry, removing rate regulation from local authorities—city councils and county commissions. It is one of the few situations in which Washington does a more effective job than states and localities.

Perhaps because politicians had kept rates artificially low, prices have soared since 1986. The industry argues that even though rates have far exceeded the rate of inflation, the number of channels has increased, offering more value for the money. Congress, nevertheless, felt the pressure to regulate rates and mandate improved service.

If it had kept to those two premises, few would complain. But the Cable Reregulation Bill has become a consumer's nightmare and a lobbyist's dream.

The Senate has passed a bill that offers both federal and local regulation—a nightmare. Local regulation raises serious First Amendment questions. The industry complains that provisions in the measure would stifle development of new networks, expansion of channel capacity and movement on new technologies. It steps heavily into the thicket of copyright law, demanding that cable programming be sold to all comers.

The bill also offers a bonus to over-the-air television broadcasters in the form of payments for carriage on cable.

The issues are complicated, but what's been lost in the fight among lobbyists is the bill's original intent—some protection from cable customers.

The bill next must pass the scrutiny of the House Energy and Commerce Committee. House members have before them an alternative to the massive bill drafted by the Telecommunications Subcommittee. It focuses on rates and customer service. With time running out for consideration of so complex a measure, the House should return to the alternative.

Or better yet, given the industry's new responsiveness to customer complaints and the scare it is getting daily, Congress might just forget the whole thing and keep a hammer in hand for when it is needed.

[From the Akron Beacon Journal, Apr. 30, 1992]

NIGHTMARE FOR CABLE

For all their recent troubles, members of Congress haven't lost their capacity to hear. In this election year, with many customers of cable television complaining about what they see as excessively high rates and lousy service, lawmakers have jumped to act. They're ready to re-regulate an industry they wisely deregulated eight years ago.

In fact, the Senate has already acted, approving a bill in January that would place new rules on cable operators, telling them, in effect, how to run their businesses. The prices they charge would be regulated, as would the services they provide.

A similar bill is making its way through the House. Both pieces of legislation pose headaches not only for cable operators but for customers. The bill to re-regulate cable promises to hamstring an industry that in recent years has grown dramatically, providing television watchers with more choices in programs and better service.

That isn't what lawmakers say they've heard. And true enough, some cable operators have abused their virtual monopolies in communities, raising rates exorbitantly, serving customers sourly and slowly.

More often than not, however, the situation is like the one here in Akron, where Warner Cable has raised prices, but not unreasonably. Today, Warner charges $20.45 a month for its standard, 30-channel service, 58 percent higher than six years ago. Still, the company has added new channels to the point where the per-channel cost of the standard package is 6 cents higher than it was in 1986.

That's hardly gouging, especially when you consider how effectively cable has expanded, developing new programs and extending wire to more and more residences. Indeed, while terrible things have supposedly been happening, cable's subscription rates have skyrocketed. In Greater Akron, for instance, the number of subscribers has increased from 70,278 in 1986 to 95,984 in 1991.

All the while, Warner Cable has been paying a franchise fee to the cities it serves. Akron, for instance, received $878,081 last year. All told, Warner has paid more than $7 million to area communities since '86.

Although most communities are served by one operator, cable companies hardly lack competition. The rental home video alone has caused them to sweat anxiously. And it's not going to get easier, as such innovations as wireless cable and direct broadcasting systems appear.

If truth be told, the video marketplace is robust and rapidly changing, making the idea of re-regulation shortsighted. The rules written today are likely to be obsolete soon. That isn't an excuse for the bad actors among cable operators. They deserve attention, but the result shouldn't be punishment for the industry as a whole. Innovation should be encouraged. Otherwise, consumers lose.

[From the Richmond Times-Dispatch, Mar. 30, 1992]

CRIPPLING CABLE TELEVISION

Consumers beware: That man with the fraudulent message is back.

"I'm from the federal government," he is saying, "and I am here to help you."

"Help" of the kind he is offering already has cost the country too much money and grief. What he intends to do in this instance is tighten the regulatory tentacles of government around the cable television industry. Instead of benefiting viewers, as the man promises, regulations proposed by legislation approved by the U.S. Senate and pending in the House of Representatives might so burden and impede the industry that it could not continue to offer viewers service of a steadily rising quality. Indeed, service might deteriorate.

This is clear from the improvements in cable television since regulations were eased in 1984. Before then, cities and other local franchising agencies often kept cable television rates so unreasonably low that companies were unable to invest significantly in new facilities, technologies and programs. Since then, cable's annual investment in programming has more than doubled, rising from $1.7 billion to $3.5 billion in 1991. The constructive results include such networks as the Discovery Channel, CNN, C-SPAN and A&E.

Despite "deregulation," cable television has remained under a degree of governmental oversight. Local authorities can collect franchise fees, establish customer service standards and require cable operators to provide access channels for public, educational and governmental programs. In an area where the operator faces no effective competition, the local authority can even set basic cable rates. And, of course, the Federal Communications Commission possesses certain regulatory authority.

But legislation now moving through Congress would revive the regulatory stringency of the past for the ostensible purpose of protecting consumers from excessive rates, shoddy service and other such abuses that mar the performances of some operators. In the process the regulators would hurt the entire industry. Reimposition of rate-making regulations would threaten its financial health and curb investments in new facilities and programs. A provision that would force cable operators to share some of their programs with their competitors is grossly unfair and economically unsound. By increasing the regulatory powers of local legislative bodies, the bills would subject cable companies to a degree of political management that could undermine the efficiency of their operations.

It ought to be possible to correct serious abuses in the industry without crippling it with new restrictions. Indeed, the industry itself is in the process of implementing new customer service standards throughout the nation.

This newspaper is part of a corporate family—Media General—that includes cable operations. But our views of the pending legislation are based on an evaluation of its provisions, on the regulatory history of the cable industry and on the historical fact that when the federal government moves in with regulations that increase the costs and curb the freedom of an industry, consumers are more likely to be hurt than helped. We sincerely believe they have far more to lose than to gain from these particular bills. If Congress really wishes to help cable viewers, it will reject them.

[From the Visalia (CA) Times-Delta, Feb. 21, 1992]

CABLE TELEVISION SERVICE SHOULD STAY UNREGULATED

Introduced by Sen. John C. Danforth, R-Mo., and Daniel K. Inouye, D-Hawaii, S. 12 would allow local agencies—cities, counties or states—to regulate rates for basic service and impose service standards.

This well intentioned, but flawed bill is the response to consumer cries for relief. Since the cable television industry was deregulated in 1984, rates nationwide have risen between 60 percent and 70 percent. Some customers have complained of poor signal quality.

Visalians have been fortunate. Continental Cablevision, which took over local cable service in 1986, has raised the monthly rate for basic service from $15.97 to $20.95 or 31 percent—a big increase to be sure.

When customers consider the high quality of service, the increase in the number of channels on basic service from 23 to 35 and the investment the company has made to lay cable past of Visalia's homes, it's a bargain. In 1991, Continental Cablevision spent $1 million to lay cable past 2,000 new homes. Now virtually all Visalia homes have access to cable, and 53 percent subscribe.

Cable company executives know they must keep rates low to continue attracting new customers.

Government intervention isn't always the answer to a consumer's complaint, and it certainly isn't here.

Government regulation of business is necessary only when business isn't meeting the needs of its customers and when customers are unable to protect their rights.

No one is forcing consumers to subscribe to a cable service. No one's house will go cold if cable is shut off.

If consumers are dissatisfied with the service they receive and the rates they pay, they should exercise their rights and cancel their subscriptions.

[From the Chicago Tribune, Feb. 17, 1992]

THE SENATE CABLE BILL: A FUZZY PICTURE

Almost since the day the 1984 Cable Act freed cable television companies to set their own rates, consumers have complained of price-gouging. Even as they rushed to get cable's improved reception and expanded programming, they fumed over high prices and poor service and demanded that Congress do something.

For the last four years, lawmakers have dickered over legislation to re-regulate the industry. Now, in an election year in which President Bush has called for a curb on new federal rules, the Senate has voted overwhelmingly to allow federal and local authorities to regulate cable television rates.

Some effort to curb rising rates may be appropriate. But the Senate's attempt seems unduly heavy-handed and more a short-sighted appeal to voters and special interests at someone else's expense than it is sound public policy.

Rate regulation ought in any case to be an interim solution to a temporary problem. Unfortunately, it can too easily become entrenched, leading to cumbersome bureaucracies and protected business environments in which there are no incentives to innovate or cut costs.

In the long run, competition will do more to discipline cable operators and drive down costs and prices. But how long should society wait for new technologies and viable competitors to emerge?

Until 1987, cable companies were regulated as natural monopolies by local governments. Under the Cable Act, Congress gave power over rates to cable operators, even though most had no direct competition. Cable bills shot up an average 61 percent from the end of 1986 to mid-1991.

The cable operators, arguing they had to make up for years of artificially low rates, raised prices, but they also invested heavily in programming and technology. As a result, the number of cable systems increased, more channels were developed and program quality improved. Cable's share of the television market grew, while ABC, CBS and NBC saw their dominance end.

In many ways, cable deregulation worked too well. Now Congress is trying to check the abuses without stifling investment and new technology. And it's doing so at a time when television, computers and telecommunications are converging rapidly and altering how Americans will communicate in the 21st Century.

The Senate, in its tough bill passed last month, ordered the Federal Communications Commission to set standards and then let local authorities, in areas where there is little competition, rule on rate increases for basic cable services. The lawmakers also made a gesture toward increasing competition by including a sensible provision that gives direct satellite services and wireless cable operators access to cable programming.

But then they wandered into a more complicated regulatory thicket. They voted to restrict ownership in the $20 billion industry by requiring the FCC to limit the number of subscribers a cable operator could reach nationwide. They also jumped into the difficult area of balancing competing television interests by giving broadcasters the right to charge fees to cable systems for retransmitting their signals.

President Bush has vowed to veto harsh rate re-regulation. Unless the House can improve this legislation substantially, he'll be justified in doing so.

[From the Wall Street Journal, Feb. 14, 1992]

CABLE READY

Twenty years ago only pockets of America had access to cable television. Videocassette recorders were an idea gathering dust (in the U.S., anyway), and for music we still put vinyl on the turntable. Today popular music is all over TV, same with sports or movies, backed by surround-sound digital audio. A few years hence, we'll be calling up selections as if our TV-cum-computer monitor were a space-age jukebox. Beyond that, only the visionaries can imagine.

Is all this to be governed by the U.S. Congress?

That's a real possibility. The Senate last month overwhelmingly approved a reregulation of cable TV. This could take the nation back not just to the local rate-setting routines that held back new programs until the mid-1980s, but to a kind of Radio Act of 1927 environment in which, according to one cable operator, "the federal government is going to tell us how quickly we have to answer our phones."

The legislation, now in the House, draws impetus from rate increases around the country that have sparked the ire of viewers, even as sign-ups for cable continued apace. (More than 60 percent of homes now have it.)

The bill, however, has attracted the familiar Capitol Hill caravan of special pleaders. Everybody's got a story to tell, and some of them sound almost compelling. No doubt this is a rough-and-tumble business, and likely to get more so.

The networks are widely thought poised, should they be allowed, to buy into cable and shift much if not all of their programming off less lucrative "free" TV. Pay-per-view is starting to suck the life out of basic cable, and any rate caps surely will accelerate that. Someone will grab the holy grail of high-definition TV. Most significantly, the local-telephone companies, which a generation ago couldn't be bothered, now eye jumping in, either feet first (as a common carrier-leasing access) or head first (providing content as a full-fledged cable operator). Either way, they'd cause a big splash.

Politically, the issue doesn't divide along clearly partisan lines, though Congress, especially Democrats, tends to favor restricting the big players (except of course for government), while the White House thinks those same players hold the key to rapid innovation that would benefit the larger economy. The chairman of the Federal Communications Commission, Alfred Sikes, would like to give the Bells a toehold. (The visiting chief economist at the agency, meanwhile, is Thomas Hazlett, who has written widely invoking the First Amendment and antitrust on behalf of wide-open cable competition.)

Republican Senator Conrad Burns of Montana is author of a bill permitting Bell entry, though some industry specialists doubt the economics are ripe for the phone companies to get in for a few years yet. Smaller players fear that when the telcos do move, they'll be able to shift costs to local phone users to undercut the competition. An understandable apprehension, but the Bells are now themselves under challenge on so many fronts, including some types of local service, that the danger is probably overstated. Only the dreamiest regulation fan would think it possible for a bunch of twenty-something congressional staffers to devise some scheme to direct the flow of all this entrepreneurial energy.

Any time the government bestows special privileges on a business, as it does with local wire, it becomes awfully difficult to unravel the favors and "level the playing field." The cable franchises and the phone companies certainly enjoy a leg up, and were they to combine, most likely in a joint venture, they would be formidable.

Yet "monopoly" becomes a less certain concept in an industry where individual consumers and entrepreneurs can act so nimbly. Even the simple competition posed today by the video-rental market is "a killer," according to one cable executive. Exclusive franchises, objectionable as they are, haven't spared cable companies from looking over their shoulders and spending like mad on technological improvements destined to bring remarkable new options in the years just ahead. In the quicksilver world of telecommunications, the complacent, stupid or slow will not be tolerated long, even with the state behind them.

Innovation, as economist Joseph Schumpeter was foremost in describing, is littered with the carcasses of the worthy and unworthy alike. It is hard to imagine that the federal government can adjudicate this process in any manner but to drag out the pain and delay the unfolding of a wondrous technological epoch.

[From the Cleveland Plain Dealer, Feb. 14, 1992]

THE URGE TO REIN IN CABLE TV

Judging by its lopsided passage through the Senate, legislation that would reregulate cable television rates has bipartisan appeal in this election year. A similar measure is expected to fare well in the House. But before consumers start rubbing their hands over the prospect that their monthly-cable bills will be forcibly held down, they should ponder the possibility that financial controls on the industry will boomerang, stifling future expansion of program choice.

Local government curbs on rate increases is only one of several limitations or requirements Congress seems eager to impose on cable operators. Others have to do with offering programs to competitors, restricting cable companies from arbitration adding or subtracting programming, and, probably most distasteful to the industry, allowing over the air broadcasters—such as Cleveland's Channels 3, 5 and 8—to demand payment for transmitting their shows.

Lawmakers may plead, of course, that they're simply responding to their mail. Since cable was deregulated in 1986, average monthly charges for basic service have risen 58%, twice the overall inflation rate. Constituents, especially in those areas where bills have greatly exceeded that figure have howled in protest. Since cable is in most places a monopoly because of the cost of constructing competing systems, it is deceptively easy to conclude that operators are gouging their customers.

Cable's side of the argument is that operators are making up for revenues held inhibitingly low by pre-1986 rate controls, that program packages have been greatly expanded, and that only a few operators have been conspicuously greedy. Those assertions evidently did not impress most senators and probably won't be persuasive in the House.

The industry's case, however, has merit. Indeed, cable appears ready to concede that rate reregulation is almost inevitable and now seeks to have controls set by the Federal Communications Commission rather than a multitude of municipalities throughout the country. For all its allure to lawmakers and consumers alike, restoring rate contols is a speculative exercise. But having the FCC apply guidelines could minimize damage to operators finances and, therefore, to subscribers' range of choices.

Cable may be about to become a victim of its own success. Viewers in the 1970s could scarcely have imagined the array of programming that would be at their fingertips once government had lifted its stifling hand from industry finances. Today nearly 60% of the population has cable installed, and an additional 30% has it available. Some subscribers have come to regard cable as a necessity rather than a choice, especially since the medium began to buy rights to sporting events once available only on advertiser-supported, over-the-air TV. Legislators actually have been heard to express worry that if people are priced out of cable reception, an "informationally deprived" class will be created.

Meanwhile, "free" TV, contending it is competitively disadvantaged, is fighting back. Where once over-the-air broadcasters campaigned to have cable stations include their programs—for better reception, for one reason—they now ask to be paid or otherwise compensated for transmission rights. Rep. Dennis Eckart, Democrat of Mentor, has sponsored legislation to give over-the-air stations the right to negotiate conditions for allowing cable to pick up its signals. Again the issue is not as clear cut as advocates suggest. If "free" TV is permitted to charge cable for its programs, it is hard to see how the costs would not be passed on to the consumer, even under reregulation.

President George Bush has threatened to veto the bill—a principled stand on a populist issue—but the reregulation lobby believes he might change his mind as he begins to count election realities. If so, the public's long-term interests may be ill served. A debate on cable TV's performance may well be justified, but if vote getting dominates all other considerations, viewers may pay in loss of quality for what they save in their pocketbooks.

[From the Boston Globe, Feb. 12, 1992]

CABLE INDUSTRY'S CHANGING PICTURE

"Cable viewers want more channels, reasonable rates," said a Globe headline last week that sums up the problem with the cable television business. A bill passed by the U.S. Senate needs to be fine-tuned in the House to better fulfill these two competing goals.

The Senate bill has three main features:

Communities would be allowed to regulate the rates for basic TV service, something they have been barred from doing since 1984. They also could establish service standards and set charges for converter boxes and remote-control devices.

TV stations would be able to charge cable companies for retransmission of programs.

Wireless cable operators and satellite services would get assured access to cable programming.

Regulation of such necessary items as converter boxes and remote controllers is long overdue. As with telephones, customers should be free to buy this equipment from a variety of suppliers.

Cable TV subscribers are fed up with rate increases, but most appreciate the improved programming prompted by deregulation. Capping the 80- or 40-channel package preferred by most subscribers would discourage cable operators from adding programming to this tier.

Last year, Rep. Edward Markey of Massachusetts, the chief cable regulator in the House, endorsed the creation of a minimum tier consisting of the broadcast channels, community-access channels and C-Span, which would be available for a low monthly charge. Whenever the cost of the 40-channel package got out of line, thrifty subscribers could switch to the minimum tier.

If a community thought the rates for MTV and the like were too high, Markey would allow it to seek a hearing before the Federal Communications Commission.

Markey's plan would provide a sensible degree of consumer protection without leaving the cable companies at the mercy of local regulators. This mandate ought to be included in the House bill instead of more extensive regulation, and Cable News Network, because of its importance, might well be included in the minimum tier.

The task of the House is to preserve a balance between consumer protection and preservation of the cable industry's ability to raise money for improved technology and programming.

Cable is allowed by law to pick up over-the-air broadcasts without charge. The retransmission provision is the most contentious in the Senate bill.

If it became law, the provision would merely provide another reason for cable operators to raise their rates. Viewers, who already pay for TV ads when they buy products hawked on the air, would be doubly penalized.

For 45 years, broadcasters have controlled the public airways at little cost, thanks to the generosity of the federal government. Congress is well within its rights to allow the cable industry to share in this publicly subsidized service.

With over-the-air stations still grabbing most of the audience in cable-wired homes, there is no need for a retransmission fee at this time.

Today, with cable available in most of the nation, this industry and over-the-air broadcasting exist in a competitive equilibrium. But this will change as new technologies compete with cable to transmit programs into the home.

These may consist of a small receiver, a fiber optic line, or something as yet barely imagined. Whatever happens, the Senate was wise to include in its bill a provision that cable broadcasters make their special channels available on reasonable terms to companies promoting the new technology.

Cable viewers' desire for "more channels, reasonable rates" will best be met by increased competition for their dollars. That should be the focus of congressional concern as technology evolves.

[From the Washington Times, Jan. 30, 1992]

CABLE-TV "GOUGING" ISN'T THE PROBLEM

Cable television customers everywhere are increasingly angry, so it seems, at the rising price of basic and premium cable services. Cable company operators, looking to "gouge" customers, have been charging "egregious" prices since 1984, when Congress deregulated the industry—thus the New York Times stated in an editorial in yesterday's editions. Therefore, Congress must respond with legislation to deregulate the cable industry.

The Cable Act of 1984 supposedly "deregulated" the industry, freeing the rapacious cable companies to pillage the local markets with high rates and poor service. Actually, it allowed cities to cap local rates and establish franchises with cable companies, a fancy word for legalizing a local monopoly and shutting down competitors. Moreover, current federal cable law allows local governments to establish customer service standards and even the number of channels a local cable company can offer.

It's not enough, regulation enthusiasts say. Prices are too high. The public is getting ripped off. The answer is legislation. The Senate was debating new cable rules yesterday. Among them is a provision for "retransmission consent," which in plain English means the broadcast networks, who've been getting clobbered by the cable competition, would be able to force a cable company not only to carry its signal but also charge a fee for it. That would cost the cable industry about $1 billion a year, which would significantly boost network profits. Another provision in the Senate bill would force a cable television production company to sell its product to wireless and dish operators. That would mean the Discovery Channel and Nickelodeon wouldn't have the choice to limit the availability of their products. Both these provisions attack the heart of what it means to control private property.

The House, which awaits the results of this week's action in the Senate, has yet to act, but it's a safe bet that the urge to fine-tune the cable industry from Capitol Hill will be just as strong in the lower chamber as it is in the upper.

The problem is that cable operators themselves are not the problem. In fact, not enough cable companies face the bracing winds of competition. As John Merline reported in Consumers Research magazine in May 1990, rates are high not because of too much deregulation, but too little. The law passed in 1984 allows cities and localities to permit one company to serve residents, creating an effective monopoly. "In fact, the Cable Act required that anyone who wants to build cable must have a franchise to do so," Mr. Merline reported. Though the law allows more than one franchisee, most cities regard cable, like other utilities and the phone company, as a "natural monopoly."

That statist view of the industry has had predictable results. Of 9,000 franchises as of Mr. Merline's writing, only 45 were competitive. Basic cable rates in non-competitive markets were 18 percent higher than in competitive markets—$17.31 per month vs. $14.13 per month. And in every city where more than one cable company competes, the customers get lower prices and better service.

In Troy, Ala., for instance, when "Troy Cablevision began competing with Storer Cable, Storer upgraded its service from 21 channels to 36 channels, while holding costs down to $13.95 a month." In Orange County, Fla., two companies sold their service for $12.85 and $10.95 a month. In late 1987, when a third company began competing, the rates for both dropped to $6.95 a month. In areas of the county where the two companies did not compete with the third, their prices were $16.95 and $13.95. According to Mr. Merline, the story is the same in Vadalia, Ga., Boone County and Frankfort, Ky., and 26 other competitive markets. Where cable companies run monopolies authorized by the law, the prices are usually high and the service is usually lacking.

Though the public might not understand all the arcane terminology in the debate, the New York Times condescended, "where many customers do understand, all too well, is that they've been socked with unconscionable prices hikes and wretched service ever since 1984, when Congress freed cable operators from local regulation." Nonsense. Cable customers aren't stupid. They understand what keeps prices low and service good—competition. Unhappily, that does not seem to be the going view on Capitol Hill. Perhaps President Bush could try to change some minds.

[From the Wyoming Eagle, Sept. 17, 1991]

SENATE BILL AMOUNTS TO FREE TV SURCHARGE

As broadcast networks contribue to lose a major portion of their traditional audience to cable networks and other forms of entertainment, it is understandable they must look for ways to recoup.

However, the cable TV regulation bill which is scheduled to be debated by the Senate later this month is blatantly unfair, anti-consumer and should be summarily defeated.

S. 12 would force cable operators to pay ABC, CBS and NBC to retransmit their signals. As the National Cable Television Association (NCTA) has argued, the logic behind that notion is tantamount to requiring Radio Shack to pay broadcasters whenever it sells an outside antenna.

The bill's "retransmission consent" language completely ignores the positive impact cable operators have had on broadcast stations. The Federal Communications Commission noted in a 1990 report that "cable carriage of broadcast signals improves a station's reach and reception quality and thus increases the broadcast stations' audiences." Of course, this results in increased advertising, revenue for the broadcast networks.

The obvious result of passage of S. 12 would be increased rates for consumers, since the cost of paying the networks for their signals would be passed on to cable customers. What will people get for their money? Zip. They will receive the same quality of signal they are getting now from cable operators.

The NCTA is correct when it maintains the bill amounts to a "free TV surcharge" for broadcast networks. One thing we don't need is another federal bailout of an industry that previously owned the entire pie but has found it difficult to deal with competition.

Who owns the airwaves? According to the Communications Act, the public does. But under S. 12, the broadcast networks do. They want the power to determine who can receive their signals and who must pay for them.

At the same time, the broadcast networks demand continuance of non-duplication rules under the FCC, which allow local broadcast network affiliates to block a cable operator's ability to import signals from out-of-town affiliates of the same network. Clearly, they can not have it both ways.

Another important factor is that the Senate measure would stifle the investment of cable operators in plant, programming and new technologies. Cable operators have provided most of the financing for cable networks, including CNN, C-SPAN, the Discovery Channel and A&E. They have taken the lead in building their industry's audience, rather than merely offering carbon copies of what's available to the public on the broadcast networks.

Since 1984, cable operators have spent $11.6 billion on programming and $14.5 billion on plant and equipment.

"Reregulating the cable industry would choke off investment in the development of new cable networks, the improvement of existing programming, the expansion of channel capacity, and the development of new technologies such as fiber optics and HDTV," the NCTA recently declared.

Broadcast networks are seeking federal permission to dip into the pocketbooks of cable operators. We hope the Senate smacks them hard on the hand in the process, for the customers' sake.

[From the Boston Globe, Sept. 10, 1991]

TIME TO LEAVE CABLE TV ALONE

(By David G. Tuerck)

Cable subscribers should watch out: Congress and local governments want to "help" them by reregulating cable television companies. In July the Federal Communications Commission issued a ruling that represents the first step toward the reregulation of cable TV rates. The new ruling permits local governments to regulate markets with fewer than six local broadcasters. Under FCC rules in effect since cable TV was deregulated in 1987, regulation was permitted only if there were fewer than three local broadcasters. The new ruling increases the fraction of cable systems subject to regulation from just a little over zero to more than 60 percent.

Further trouble lies ahead in the form of a U.S. Senate bill, "The Cable Television Consumer Protection Act of 1991." This bill forces cable TV operators to offer programming developed at their own expense to their competitors. It also expands the power of local governments to offer or deny cable franchises and gives the FCC new powers to regulate rates.

Proponents of the bill say reregulation is needed as the result of rate increases and service problems that initially followed deregulation. After deregulation basic cable rates did rise faster than the rate of inflation and customers had problems with service. On the other hand, the cost per channel for basic service has remained about constant as operators have increased significantly the number of channels offered. Cable operators have invested several billion dollars in new programming and distribution methods. And industry leaders have promulgated new customer service standards.

While these developments are of interest to cable TV customers, they do not explain the impetus behind reregulation. That impetus comes, not so much from consumers, but from the municipalities that have made themselves the principal beneficiaries of the cable TV franchise system. Under that system a cable operator must obtain a franchise from the local government to go into business. To get a franchise, the operator must typically give local programmers free access to its system and pay the local government 5 percent of gross revenues.

Cable operators now pay local governments more than $700 million a year in franchise fees. That is more than $1 per month on every cable subscriber's bill. The fiscal crisis facing many state and local governments is likely to increase this amount, as the franchise fee is seen as an increasingly attractive source of revenue.

Massachusetts municipalities have sponsored legislation that would permit them to impose franchise fees without having first to ask permission of the state legislature. One proponent of this legislation complains of cable operators who "generate huge revenues and give very little back to the towns they operate in."

For cable operators, therefore, the squeeze is on. As Congress pushes on one side for reregulation, local governments push on the other for more franchise fees. Ironically, this puts the squeeze on consumers, too, as franchise fees and the burden of dealing with local bureaucracies and special interests drive up cable companies' costs and rates.

Defenders of this state of affairs argue that cable TV is a "natural monopoly." According to this argument, a cable TV operator must make a substantial, initial investment in its distribution system to serve a particular market. After it makes that investment, almost all of its distribution costs are fixed. No prospective competitor will attempt to compete with an established operator for its customers, and an established operator will be in a position to extract monopoly rates and profits.

Reregulation is, by this argument, necessary for keeping rates down. Franchise fees are necessary to make sure the operator "gives back" something to the locality it serves.

The "natural monopoly" argument is, however, wrong in both theory and fact. If an established cable TV operator raises rates enough, other operators will, contrary to that argument, find it profitable to compete. The risk of inviting such competition and, with it, of losing the value of its initial investment will deter the established operator from raising rates.

Experience shows this risk is real: There are instances of head-to-head competition

between alternative cable operators serving the same market. Ironically, though, head-to-head competition is just what local governments don't want. Once a second operator enters a market, the whole idea of a cable franchise collapses and, with it, the possibility of charging a franchise fee and extracting other benefits for local government.

Moreover, cable will increasingly face competition not only from over-the-air local broadcasters, who provide their television for free but new, emerging technologies. Microwave systems that deliver dozens of channels are sprouting up in many cities, aided by new fee rates designed to encourage their development. And direct broadcast satellites are scheduled to launch in the years ahead.

The solution to the cable TV "problem," then, is not reregulation by cities, but less city regulation. Cities should encourage alternative cable operators, as well as alternative distribution systems like satellite master antenna television, direct broadcast satellite television and multichannel multipoint distribution systems.

And Congress should let the marketplace work. It is time to take the squeeze off cable TV operators and their customers.

[From the Boston Globe, Aug. 31, 1991]

KEEPING CABLE'S PRICE WITHIN SIGHT

Cable television has made giant strides in programming since the business was deregulated in 1986. Only a modest degree of re-regulation is needed today to protect consumers from pricegouging and ensure that the cable signal is not placed out of reach of people on limited incomes.

In Tennessee, some companies raised their rates by more than 100 percent in the first three years after deregulation. In the Boston area, where competition from television stations abounds, price increases averaged 43 percent over five years. Responding to cable operators' greed, Rep. Edward Markey of Massachusetts and Sen. John Danforth of Missouri have filed bills that would impose far-reaching rules on operators.

Cable systems have invested much of their windfall in improving their product. In the five years since deregulation, spending on programming has more than doubled, from $491 million to $1.28 billion. More than 30 special channels are now available, ranging from the Cable News Network to Black Entertainment Television to the Travel Channel.

Cable companies pick and choose among channels they deliver to their customers, and some are barely worth watching. But as a whole, these special channels add an important dimension to television viewing. They have ended the stranglehold of the networks on the creation of programs and have given attention to minorities slighted by regular broadcasters. Together with prerecorded videotapes, they have transformed the way Americans watch television.

The Senate and House bills do not address the improved quality of cable, but focus instead on three issues: price, the impact of cable on over-the-air broadcasters, and future competition.

Both bills provide for the re-regulation of all cable rates, especially the basic tier where most of the special channels are grouped. Markey's bill also would require cable companies to provide a bargain tier comprising five or six off-the-air channels plus local public-access channels.

The bargain rate is a splendid concept that would have provided those Tennesseans with a recourse from price gougers. Now, it would provide an entree into cable for people who cannot afford the $20-$30 monthly charge for the basic service.

Given the improvements in basic service, its cost is not excessive in most communities. There would be no reason to regulate it as long as viewers could choose the bargain rate in lieu of a price increase.

In the early days of cable, conventional broadcasters welcomed the re-transmission of their signals by cable companies. Viewers in communities beyond the reach of conventional transmitters sweetened the broadcasters' ratings.

Now that cable is a strong competitor, the networks and most local stations want a share of its profits. At their behest, senators have included in the Danforth bill a requirement that cable operators obtain a broadcaster's permission to re-transmit its signal.

Cable companies have run ads in the Globe and other papers urging their customers to fight this proposal, which they say could add 20 percent to cable bills. That figure, based on a rash CBS estimate, is overblown, but if the bill passes, some broadcasters will demand money for their signal, and cable rates will surely rise.

Cable operators have invested billions in cable and transmission facilities that extend and improve the conventional broadcast signals, yet no one ever asked the broadcasters to pay them for this service. Requiring cable companies to subsidize the broadcasters would place an unneeded burden on cable customers.

Broadcasters say they are losing audiences and profits to cable companies. Indeed they are, and with good reason. The quality of the typical network program in prime time is unappealing to many viewers. Even reruns of "Mr. Ed," a night-time staple of the Nickelodeon cable network, are refreshing by comparison.

Just like the networks, cable operators are seeking to penalize the competition. Their focus is on the future, when entrepreneurs using direct satellite links to viewers may provide 50- or 100-channel services.

"Let them set up their own CNN or Nickelodeon," the cable owners say. It is likely that without re-regulation they could deny competitors access to the special channels that are vital to the success of a multichannel system.

Both bills would require the cable companies to allow competitors to buy their services. As did the cable companies in their early years, these new services need access to existing programming if they are to have a chance.

The cable companies may be their own best competition. They are talking of systems that provide 200 channels and a vast range of pay-per-view services. Congress will need to make sure that if these services become popular, the cable operators do not neglect their responsibilities to provide quality programming to customers who can afford only the less expensive tiers.

Twenty years ago, when broadcast television was dominated by the three networks, many viewers complained there were rarely any programs worth watching. That dearth of choice ended with the emergence of cable and videotape.

Although only a bit of re-regulation is needed now, Congress must make sure that as cable technology changes, its benefits are shared as widely as possible.

[From the Philadelphia Inquirer, July 12, 1991]

THE COST OF CABLE TV

Around the clock, most American television's can tune in network shows, 24-hour news, movies galore, health stuff, congressional coverage and more. Thanks to cable TV, 55 million homes now have this variety of offerings. But this boon has been accompanied by griping about how fast the cost is rising. Since 1987, when cable television was freed from price controls, the average rate for cable service has increased more than 50 percent. So lawmakers have been working on what to do.

Naturally, cable companies want to stave off renewed controls. They argue that the price hikes of the last few years were needed to compensate for the unrealistically low charges under regulation, and to pay for the increasing diversity of cable programming. As one industry official puts it: "There isn't any regulatory scheme in the world that can get you filet mignon for the price of hamburger." Maybe so, but if there were only one place to get filet mignon, you can bet its price would be even higher.

That's the basic problem: Cable TV is a monopoly with great power to dictate its price. That's why the Federal Communications Commission last month revived price regulation of basic cable service in markets with fewer than six broadcast television stations. (That takes in about one-third of all cable customers.) And it's why the Senate Commerce Committee recently passed a plan to regulate cable service in nearly all U.S. markets—and to reduce some of the anticompetitive forces in the cable industry.

The Senate bill includes a number of sensible changes but goes overboard on some basic points.

Under the Senate bill, the price of basic cable service in areas that don't have numerous free stations would be reviewed by the Federal Communications Commission or by a local agency approved by the commission.

But the Senate plan also would let regulators control the price of additional services, such as CNN, ESPN and so on. This gives us the whim-whams. Sure, cable operators have been repackaging their services—shifting popular offerings into more expensive levels of service—in the hope that Congress will limit any new regulation to basic service. Still, overdoing it on price control would stifle the cable industry's innovativeness in programming. If the cable systems were hobbled in this way the biggest winners would be the major networks and their affiliates—not the public.

Under the Senate bill, local cable companies would also be required to carry all local television stations, including ones with weak signals. That's in the public interest, but with one kind of station—those that do nothing other than make sales pitches to home viewers—it would make sense to leave that choice to the cable company.

The bill also goes overboard by letting any station waive its right to be carried by cable and instead, insist on working out terms for compensating the station. Why should the cable company pay a dime for this?

The Senate plan also tries to put new competitive pressure on the cable industry. For example, it would bar a cable television company from insisting that it become a part-owner of programming in order for it to be carried. Also, the FCC would be able to limit the number of channels on which a cable company could carry programs that it owns a piece of. Both of these rules help to guard against monopolistic impulses in the industry. That goes as well for a provision in the bill requiring the FCC to set a maximum share of cable service nationwide that no single company could surpass.

There will come a time when cable television faces major competition from other

technologies such as satellite transmission. But they're not yet ready for prime time. Until then there may be something of a love-hate relationship between cable customers and their local cable company, as the programming expands and the prices rises. While new legislation can help somewhat the public should look askauce at claims that Congress can cut the cost substantially without impairing the product.

[From the Kansas City Star, Jan. 25, 1991]

CAREFUL ON CABLE

Another effort to regulate anew the cable television industry is gathering steam in the current session of Congress. The legislation which has been proposed—similar to a bill that died last year—has some provisions worthy of consideration. But on balance it focuses too much attention on the threadbare "solution" of price controls.

This is not to deny that cable TV has been its own worst enemy in recent years. Prices have gone up, while quality has suffered in many markets. Last year a survey found that 20 percent of viewers harbored somewhat or very negative feelings toward their cable company—double the "negatives" for broadcast networks.

In 1984, Congress wiped out price controls in markets with "effective competition," loosely defined. But this stab at deregulation failed to ban the exclusive franchises some cities use to bar or inhibit new multichannel systems. Court rulings in this area have been mixed.

Congress is not the only part of the government revisiting the muddled cable TV issue. Last month the Federal Communications Commission proposed rules that would tighten the definition of effective competition, restoring rate controls for more than half of the nation's cable systems. The bill before Congress, sponsored by Missouri Sen. John Danforth, promises to extend regulation to even more markets.

Some provisions of the bill would improve competition in at least one respect: They effectively would ban exclusive distribution of shows to particular cable systems, which would give competing systems equal access to programs such as CNN or C-SPAN.

Lawmakers are receiving intense pressure from viewers upset about high rates, but they should keep this issue in perspective. Some programming is valuable and informative, but this controversy is not about rates for electricity. To a great extent, this is about how much it costs to watch Home Shopping Network or the Comedy Channel.

Several dozen cities now have head-to-head competition in wire cable systems. Thirty markets offer competing "wireless" systems delivered via microwave (although the development of these systems is impeded by the FCC's slow permit processing). About 3 million homes receive television directly from satellites.

The market is slowly adding competitors and choices. Congress should encourage these trends by concentrating its efforts on improving market access for new systems and new technologies.

[From the St. Cloud (MN) Times, Jan. 17, 1991]

CABLE REGULATION ISN'T A NEED

With problems like the Gulf crisis, deficit budgets, a mounting national debt and the growing need for affordable health care for the nation's uninsured, Congress should have its hands full.

But no matter how momentous the challenges, the nation's lawmakers just can't seem to resist the temptation to try to expand government authority, usually creating new government costs in the process.

Three senators found time this week to introduce legislation to again place the cable television industry under regulation. Specifically, their bill would again give regulatory authority to local governments.

The bill's sponsors contend a lot of cable system operators are gouging their customers.

Regulation of utilities—providers of the electricity and natural gas that are virtual necessities of modern life—can be justified. They key word is necessity. Utilities are the only reasonable sources of gas and electricity. But access to 40-plus television stations certainly isn't a necessity. And cable isn't the only option for those who want television in their homes.

Television is readily available for those who don't want the luxury of cable service. An antenna can be purchased at very little cost from a television dealer or electronics store. In St. Cloud, a reasonably-price antenna will pick up the free signals of seven stations based in the Twin Cities metropolitan area. Those who live closer to those stations don't need any more than the built-in antennas on their TV sets.

For the true TV glutton, a satellite receiver can be purchased and installed for less than $2000. That is about the cost of 8½ years of relatively limited cable service at current rates, but it is a one time expense, and with it comes access to another 90-100 free channels. The addicts not satisfied with 100-plus stations also can subscribe to receive the satellite signals of the so-called "premium cable" broadcasters. A St. Cloud dealer cited $38 for six months service from one as a recent example.

Worse is the fact the legislation would place the regulation of cable systems—and the rates they charge—in the hands of local governments. Determining that fine line between excessive profit and allowing a business a reasonable return is complex and local officials lack the expertise to do it fairly.

Regulation of gas and electric rates at a state level is so complex that it requires a full-time staff. Cable TV certainly isn't as complex as providing gas and electric service, but a sound knowledge of the industry is still necessary for rate setters. Consequently, local officials either make uninformed judgments, or they hire somone—adding to the cost of local government—to help.

The nation badly needs for its lawmakers to focus on the critical issues of the day, not to waste their time trying to dream up new regulations to expand already-bloated government power.

[From the Denver Post, Dec. 26, 1990]

DON'T STIFLE CABLE TV WITH FOOLISH OVERREGULATION

During the last session of Congress, there was a move afoot to create a federal law requiring cable TV companies to put more shopping channels on television.

Although this proposal died, it underscored the absurdity of the federal government's efforts to slap new controls on the cable television business.

Just this month, the Federal Communications Commission said it may let cities and towns regulate cable TV prices.

Initially, the impetus for price regulation came from consumer complaints that cable TV prices have risen too quickly.

In the minds of many Americans, cable television no longer is a luxury but a near-necessity. The cable TV industry has been woefully slow to recognize the political and marketplace implications of this attitude change.

For example, cable has brought many excellent shows into American homes. But these fine programs draw small audiences, so they don't attract big advertisers and can't be supported by ad dollars alone. What keeps them on the tube are the checks that subscribers write to their local cable company each month.

Take away the cable companies' ability to keep pace with the increasing cost of creating these shows, and the number of quality programs on the tube may decline.

Yet the cable industry never adequately explained this simple fact to its customers, so it's not surprising that consumers now are demanding quality programs, but simultaneously complaining that they don't want to pay for them.

The criticism of the cable industry's poor customer relations especially applies to some of the cable firms based in the Denver area, which number among the largest cable television enterprises in the country and which own dozens of systems across the nation.

These companies need to acknowledge the political forces rocking their corporate ships.

Competing industries—including broadcast stations, movie studios and video rental shops—have piggybacked their selfish concerns on top of consumer discontent.

For example, there's a new technology called High Density Television, or HDTV, that will revolutionize video the way the compact disc transformed audio.

Cable TV systems are racing to put in new fiber optic systems that will allow them to bring HDTV to consumers in the very near future. But this investment will cost hundreds of millions, even billions, of dollars.

Since fiber optic networks will give cable TV companies an advantage over broadcast stations, the broadcasters have a strong interest in seeing price controls slapped on the cable business: if the cable companies don't have enough revenue coming in from subscriber fees, they won't spend as much money putting in fiber optic systems.

In the end, American consumers won't have access to HDTV or other new technologies as quickly as they would have without this political manipulation.

Congress and the FCC should peek behind the mask of consumer protectionism in which other entertainment industries have wrapped their pleas for price controls on cable TV.

Government interference only will reduce the financial ability of cable companies to put good shows on the tube and to move forward with promising technologies. The results only will harm the consumers that Congress and the FCC claim they are trying to protect.

[From the Duluth (MN) News-Tribune, Dec. 16, 1990]

LET MARKET REGULATE PRICES

It sounds tempting—especially after the Reagan presidency gave such a bad name to deregulation—but government should resist the temptation to wider regulation of cable TV rates or expand federal civil rights laws to car purchases.

The Federal Communications Commission is considering a plan to give local government more control over rates for cable TV services.

Anyone who hasn't winced recently at rising cable rates either has someone else pay

the bill or isn't hooked onto the cable. But there's an easy way for cable customers to stop spiralling rates: Call up the cable company, and tell them to unhook it.

Some may consider cable TV a necessity, but it isn't. The marketplace can regulate these prices just fine.

The same is true with the prices of new cars, despite a recent survey that says women and blacks pay more for the same car than males and whites. The author of the study, to be published in the Harvard Law Review, said the discrepancy could be dealt with by expanding federal civil rights to car purchases or by federal regulation of their prices.

The author says there's no reason to believe racism or sexism caused the discrepancy. He thinks dealers believe they can drive a harder bargain with women and blacks—and so stick closer to sticker prices.

We wonder what we'd find in a study of how much more or less is paid for cars by members of different occupations, ethnic groups, zodiac signs, etc. In any case, the idea of government stepping in because some groups drive a weaker bargain than others is the height of silliness.

A proper government role is to protect the weak from the strong and all of us from basic transgressions by others. But those of us who can't stand to cut off the cable or haggle with car dealers should look to ourselves, not government, for answers.

[From the Schenectady (NY) Daily Gazette, Sept. 13, 1990]

LEAVE CABLE TV ALONE

Funny how lawmakers suddenly start listening to their constituents around this time of year. With an election just two months away, the House voted unanimously this week for a bill to re-regulate cable television rates. The vote was clearly in response to the thousands of complaints lawmakers have received about the rise in cable rates since deregulation took effect in 1986. However popular it may prove with voters, it was not the right response.

Basic cable subscribers have been angered by rate increases averaging 43 percent over the last four years, and who can blame them? The price of few other goods and services rose as fast during this period.

But the increases were mostly justified, for a number of reasons. For starters, in the years prior to deregulation, cable operators frequently found it difficult to recover their costs. Local politicians, who controlled rates prior to deregulation, held increases to substantially less than the inflation rate.

Another justification for the rate increase has been the improvement in basic service: not only are most systems providing more channels, but the quality of the programming on the channels has improved. You didn't see major league football games or nearly as many baseball games on cable prior to deregulation, nor were there as many high-quality shows or movies produced exclusively for cable networks. These programs cost money, and have forced the companies that provide them to raise rates to cable operators. In turn, cable operators have had to pass their increases along to subscribers.

Deregulation simply hasn't been the nightmare that every member of the House thinks it is. Yes, cable operators still have virtual monopolies wherever they're granted franchises. But the explosion of the home video industry has provided some competition, and direct satellite broadcasting is expected to provide even more within the next three years. Rates have, in fact, moderated over the past two years after the initial post-deregulation spike.

Instead of re-regulating the cable industry, Congress should be looking at ways to deregulate it even more: make it easier for second cable companies to enter a market. That would provide the competition needed to temper rates.

[From the Houston Post, Aug. 5, 1990]

TANGLED WIRES: CABLE TV INDUSTRY NEEDS COMPETITION, NOT REGULATION

There's a move afoot to have the federal government regulate the cable television industry. There are bills that would do that in both houses of Congress.

Certainly there is a perceived need for this. The industry has tended to put the thumbscrews to consumers since it was deregulated in former President Ronald Reagan's drive to get the government out of business.

Most of the deregulation moves have been positive. Air travelers can fly cheaper then ever before and telephone service prices have come down. But there are two exceptions—the most horrendous being the deregulation and subsequent insanity in the savings and loan industry. The second is cable TV. If only a pale shadow of the S&L debacle.

Still, there are cable abuses, such as high prices and poor service. In 1988, the overall consumer price index rose 4.2 percent. During the same time, cable rates rose more than 13 percent. In Houston, in the deregulation year of 1984, Warner Cable's basic rate was about $11 a month. It rose to more than $17. Like an ill-fitting bathing suit, other cable providers have been afflicted with the same upward price creep.

Since the Cable Communications Policy Act of 1984, cable operators have been able to set their own rates after two years of service and they have been able to offer just about any programming they wish.

Cable, once used only to bring television to remote areas where broadcast signals couldn't reach, has spread like Kudzu vine over the country. In 1988, it covered 53.8 percent of the country and it's still growing. In Houston that year, 47 percent of all TV households subscribed to cable. That's lower than other Texas cities, such as San Angelo with 82 percent or Austin with 58 percent. However, both Warner and Storer Cable Communications, Houston's major providers, have increased their subscriber list over the years.

In 1985, Forbes magazine said the purchase of a cable system for $1,600 per subscriber would be "astronomical," but in 1989 a cable system can easily be sold for more than $2,000 per subscriber. Now that's big business.

Both the House and Senate have bills pending that would authorize the Federal Communications Commission to regulate rates for basic cable service if they are unreasonable or abusive. Also the legislation would require the FCC to set service and technologies standards for cable customers.

The operative words here are "basic service." Remember a few weeks back when cable companies here changed their channel numbers? This was done to include a new stripped-down package of channels and it happened all over the country. It was a move to stave off re-regulation. If the legislation passes, the FCC will have something to regulate while rates on the more expensive and more desirable cable-service packages could keep on going up and up.

New Warner Cable is about to change channel designations again "for the customer" by putting broadcast channels on the same channel numbers they use over the air. Guess what? The same-channel requirement is part of the Senate bill cable re-regulation bill.

Even concerning the abuses, re-regulation is not the answer. What's needed is increased competition. The FCC issued a staff report saying the same thing. The agency proposed "to a more competitive marketplace for the distribution of multichannel video services."

It's the American way and it's the way to go. New companies and new technologies are more likely to emerge to compete in the freer market, and this should benefit the consumer. Its almost always better to switch than fight.

[From Universal Press, Apr. 23, 1990]

DANGER SIGNALS ON CABLE TV REGULATION

(By James Kilpatrick)

It is a sound principle, or so it seems to me, to look with dark suspicion upon any effort by government to "protect" us. In obedience to that principle, let us be wary of Sen. John Danforth's pending Cable Television Consumer Protection Act. It may be a bummer.

The gentleman from Missouri is disturbed at some things that have happened since cable TV was deregulated five years ago. He sees the evil consequences of monopoly. Between 1986 and 1989, cable rates in Jefferson City increased by 71 percent. In Cape Giradeau, rates soared by 100 percent. Without re-regulation in some form, he sees nothing to prevent cable providers from gouging their subscribers and delivering lousy service to boot.

Well, maybe so, but voices of experience should whisper in our ears. The parallels are not exact, but most of us can recall—plaintively and poignantly—the kind of telephone service we had before government got into the act, it was the best service in the world. Then the courts went to work and broke up AT&T and the Bell system. Now the service is often terrible and it costs a ruddy fortune.

The theory behind the telephone fiasco is the same theory Danforth and his colleagues are resurrecting here: Monopoly is bad; competition is good. The theory is fine, but before Congress applies the theory to cable TV, let us take care not to hobble a healthy horse.

Today the best estimate is that 53 million homes—about 57 percent of all television households—have cable. In the past decade, cable advertising revenue has ballooned from $58 million to $2 billion. More than 9,000 cable systems are now in operation.

The data suggest that the industry must be doing something right. If you accept the industry's statistics at face value, always a risky thing to do, basic cable rates since 1972 have lagged behind the rate of inflation. The cable operators are selling entertainment at an average cost of $15 per household per month—less than what it costs to take the family to a single baseball game. This doesn't smack of monopoly gone berserk.

Under Danforth's bill, regulation of basic cable rates would revert to local city councils wherever a cable operator had no "effective competition." In these circumstances, local governments would have to fix rates within guidelines to be set by the Federal Communications Commission.

Another aspect is troubling, Danforth makes much of cable's role as "gatekeeper of information." He finds it ominous that "cable operators today are free to decide what local broadcast programs their subscribers are able to see." But how is this dif-

ferent from the way in which newspapers go about their business? Editors and publishers regularly decide what news and features their subscribers are able to read.

The senator would not exactly dictate the programs that a cable franchise would have to deliver, but he would compel every cable system to carry, free of charge, the broadcast signals of local TV stations. If cable operators enjoy the same First Amendment protection accorded to other media, it is hard to see how they constitutionally could be compelled to carry any program they were not required by local contract to carry.

James Mooney, president of the National Cable Television Association, freely acknowledges that his industry has problems with consumer service, but he insists the problems are diminishing. Now that most of the attractive markets have been gobbled up, the industry's hope for growth lies in signing up the 40 percent of TV households that have not yet subscribed. This will require moderate fees, diversified programs and prompt service.

My thought is to stick by the marketplace. Government protection is great when it protects us from contaminated meat and fraudulent securities, but we ought not to have more "protection" than we truly need.

Mr. BURNS. Mr. President, I ask unanimous consent that the letter from the Federal Communications Commission, a statement from Alfred C. Sikes, regarding cable television legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, September 21, 1992.

STATEMENT OF CHAIRMAN ALFRED C. SIKES REGARDING CABLE TELEVISION LEGISLATION

The proponents of cable TV legislation (S. 12) say they want to lower cable rates and increase competition.

But the simple truth is that the bill now pending before the Congress just doesn't do what it's supposed to do.

The cable industry is one of the prime success stories of the communications revolution. Cable programming offers us vastly more choices of information and entertainment. Cable's physical plant is becoming an indispensable component of bringing choices in new telecommunications services.

Cable's success is due principally to the hard work of entrepreneurs operating in a free marketplace. But it was helped greatly by the application of a light regulatory touch by Congress and the FCC through the 1984 Cable Act.

Cable's performance has not been flawless. Consumers have expressed outrage over quick and steep rate increases and poor system reliability.

There is wide agreement in Washington that actions should be taken to stem cable rates and improve cable service quality. But there have been stark differences in the proposed solutions.

The FCC in 1990 set out to identify the problems and find solutions to them. We held hearings and gathered extensive evidence.

A unanimous Commission found that the best way to assure reasonable cable rates and quality service was to make a few changes in the Cable Act, and, most importantly, to introduce and encourage competition to cable. Competition, rather than government regulation, in the delivery of telecommunications services has proven to be the best guarantor of lower prices and greater choices for consumers. Overall cable rates have been found to be 20% lower in competitive markets.

The FCC recommended to Congress a variety of ways that barriers to competition could be removed, including requiring cities to consider granting a second local franchise and getting rid of restrictions that prevented competitors from entering and flourishing in the video delivery business. We encouraged greater access to programming for cable's competitors.

The Commission has worked hard to make competition to cable a reality. We are speeding license grants for wireless cable services. We are continuing to encourage the development of competition from Direct Broadcast Satellite, which seems to be on the verge of becoming a reality. Finally, we are permitting telephone companies to offer "video dialtone" services, which would provide to any programmer nondiscriminatory access to all households.

Unfortunately, the bill before Congress does not rely on the competition prescription offered by the FCC and the Administration to improve cable rates and service. Congress is doing very little to encourage greater competition to existing cable systems. For example, it does nothing to encourage competition from one important source—the telephone companies. Other parts of the bill, like the program access provision, go far beyond what the Commission found to be necessary to provide cable competitors with the opportunity to participate in the program marketplace.

Congress' cable solution features a "big government" approach that will lead to costly regulation. Not even the bill's proponents claim that it will lower cable rates. In fact, the bill permits all the cable cost structures that are now established to be passed on to consumers, and guarantees the cable operator "a reasonable profit" as well. This should make our citizens wonder whether the bill is really a good idea.

When we know from present experience that direct competition to cable has resulted in rate decreases, Congress' desire to permit continued rate increases clearly is the wrong way to go.

Finally, the bill imposes crushing burdens on the FCC. If this bill becomes law, even by Congressional estimates, more than $20 million—one-sixth of the agency's entire budget—each year will go to cable regulation. This burden includes more than just strictly regulatory provisions. The FCC is condemned to study every question about cable that is on the mind of Members, at a large cost.

In response to our citizens' complaints about cable, Congress is giving them legislation that won't reduce rates and won't increase competition. This cable bill is a bad deal for the public and for all elements of the communications industry. I hope the bill does not become law, so that the next Congress can work on removing regulatory barriers instead of erecting new ones.

Mr. BURNS. Mr. President, on September 9, 1992, House and Senate conferees agreed to a conference report on legislation to reregulate the cable television industry. The conference report adopts many of the most regulatory provisions in the House-passed cable bill—H.R. 4850—and thus differs in significant respects from the bill that passed the Senate last January—S. 12. The following is a brief summary of the key differences between S. 12 and the conference report.

Anti-buy-through provision. The conference report contains a so-called anti-buy-through provision that was in the House bill, but that has never been considered by the Senate. This provision requires cable operators to install sophisticated addressable converters in all subscriber homes, thereby significantly increasing the cost of providing cable service—up to $5.8 billion by some estimates. The impact of this provision will especially be felt by smaller, rural systems—and their subscribers—that have no market-driven incentives to install this expensive equipment.

Program access. The conference report adopts the House provision on "program access." Unlike the Senate provision on program access, which echoed familiar antitrust law concepts, the House language adopted by the conferees contains a novel and ambiguous legal standard that will chill cable operators and cable programmers from engaging in legitimate business practices while it is interpreted, explained, and refined in expensive adversarial proceedings at the FCC.

Telco/cable cross-ownership. S. 12 attempted to promote competition to cable in rural areas by permitting telephone companies to offer cable service in areas with under 10,000 inhabitants, notwithstanding the Cable Act's prohibition on cable/telco cross-ownership. The conference report eliminates this provision completely, leaving intact the existing exemption, which covers communities with under 2,500 inhabitants.

Customer service standards. The conferees adopted the House provision on customer service. While both the House bill and S. 12 authorize the FCC to adopt national customer service standards, the House approach undermines this effort to achieve national uniformity by giving local officials unrestricted power to exceed the FCC standards.

Antitrafficking. The conference report adopted House language restricting the purchase and sale of cable systems. These restrictions, which were not considered in the Senate, subject transactions involving private cable companies to more stringent regulation than transactions involving federally licensed broadcast stations.

Rate regulation/regulatory costs. The conference report eliminates a provision found in both the House and Senate bills that would have required "bad actor" complaints—challenging the reasonableness of expanded basic tier rates—to present a prima facie case. By eliminating this provision, the conferees have substantially increased the regulatory burden on the FCC and on cable operators. Overall, the cost of implementing the legislation agreed to in conference is likely to be substan-

tially higher than the cost of implementing S. 12. The CBO estimated that the House bill would cost the Federal Government at least $100 million over 5 years, while the estimated cost of S. 12 was only $33 million for the same period of time.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, on behalf of the proponents of the conference report, I yield myself such time as I may require.

Mr. President, this point in the course of the legislation is now 3 years in the making. The first cable bill was introduced just about 3 years ago now. We have been working on it ever since. We have been attempting, or had attempted, in the early stages, to work with the cable industry. And, in fact, back in 1990 we believed that we had worked out an agreement with the Cable Television Association for legislation.

In June of 1990, we held a markup in the Senate Commerce Committee, and we found out immediately before going to markup—the same morning as the markup, as I recall it—that the cable industry had changed its position, that it wanted to put into the legislation what amounted to a special antitrust exemption which would hold the cable industry in a different position from the ret of the country with respect to antitrust. And as a result of that sudden, 11th-hour demand, we were unable to reach agreement with the cable industry, so we proceeded with the markup anyhow.

At the beginning of this Congress, in January of 1991, on the first day of the Congress, Senator HOLLINGS, Senator INOUYE, Senator GORTON, and I introduced S. 12. This particular bill, therefore, was introduced on day 1 of this Congress, and it appears likely that if there is a vote on the President's veto—and there may not be—but if there is a vote on the President's veto, the vote will occur on the last day of this Congress.

This legislation has been worked on over a long period of time. We have had in the Commerce Committee 14 days of hearings on the cable bill. So this is not something that has been done quickly. It has been done very slowly and very deliberately. As a matter of fact, I think that it is fair to say that the tactic of the cable industry has been to make us go as slowly and deliberately as possible, including delaying the vote on the President's veto until time has run out for Congress to act in this session. The tactic has been one of delay.

In January of this year, the Senate voted on S. 12. It was an overwhelming vote. The vote was 73 to 18. As Senator BURNS has pointed out, this bill has been changed since the version of S. 12 was voted on, 73 to 18 last January.

The changes that have been made, Mr. President, are changes that favor the cable industry. The conference report that is now before us is much more favorable to the cable industry than the bill we voted on and passed, 73 to 18, last January.

For example, the definition of the basic tier of programming that can be regulated is much more favorable to cable—that is, much narrower—in the conference report than it was on the floor of the Senate last January. The rate regulatory power of the municipalities is more narrow in this conference report that it was in the bill that was passed 73 to 18 in the Senate in January.

Furthermore, the access to programming provision strongly opposed by the cable industry is sunsetted in this legislation. That was not the case in S. 12, which passed the Senate by a vote of 73–18. So the changes that have been made are changes that are favorable to the cable industry.

One wonders what possible rationale there could be for a Senator changing his vote on the conference report. Certainly not that the legislation is tougher for the cable industry than S. 12 was back in January. I think that the only rationale is that the tactics that have been pursued by the cable industry have been so tough politically that it might be hard for some Senators to continue voting for the cable bill.

Cable television not only is an unregulated monopoly—which is a wonderful business if you can get it—but the cable monopoly has the power to communicate. That is what cable television is: the power to communicate through commercials on television, and the commercials that have been run are commercials which have been designed to frighten the American people. It is a campaign of fear that has been run by the cable operators. And it is not only the use of the programming, the commercials on cable television, but flyers that have been enclosed in cable bills telling people that their rates will go up, and apparently various phone calls to people.

There is a sad story in the Richmond Times-Dispatch of September 17. The story begins as follows. The headline is: "Cable TV Lobbying Sparks Caller Anger."

For Sherri Wertz, disabled by multiple sclerosis and living on a fixed income, television isn't only a companion—it's "my best friend."

When a caller warned the Virginian that her cable bill might jump from $50 to $80 per month if Congress passes legislation for the government to regulate cable television, she was alarmed.

So she accepted the man's offer—on behalf of the National Cable Television Association—to have her call transferred to her senator's office free.

It was 10 or 15 minutes later, as Mrs. Wertz was listening to an aide to Sen. Charles S. Robb say cable operators might lose money under the bill, that the telephone line went dead.

Mrs. Wertz, who lives on the Peninsula, is furious.

And the article continues.

Then there was the article in the Washington Post on September 18. "Cable Lobby: At the Tone, Get Irate at Your Senator," a very, very funny article. I believe that the Senator from Hawaii has already put this in the CONGRESSIONAL RECORD, so I will not do it again. But it has the transcript of what appeared on the answering machine of a Member of the Senate. I will just read a part of this article.

Unfortunately for the cable company, its representative forgot to get off the line. Soon the senator's staffers were quaking with mirth as was a reporter who heard a playback. The "spontaneous outrage" had all the subtlety of a guillotine:

First voice (male): "Ma'am, you just speak."

Second voice (female): "I don't know what I'm speaking about."

First voice: "Uh, the cable bill. You don't want your cable prices to go up, right?"

Second voice: "No, I do not."

First voice: "Well, okay, just tell 'em that."

Second voice; "Tell 'em what? I mean . . ."

First voice: "That you don't want your cable bill to go up."

Second voice: "That's all I have to say?"

First voice: "Yes, that's all."

Second voice: "Okay—Senator, I do not want my pable—cable bill to go up."

First voice; "Thank you."

Second voice: "Thank you."

So that is from the article in the Washington Post.

The cable monopolies, Mr. President, want us to believe that if the local municipalities regulate the unregulated monopolies, cable rates will go up, not down. That, of course, is contrary to the position that is taken by, for example, the Consumer Federation of America, which has said that cable rates would go substantially down under regulation. It is contrary to the Justice Department's finding that about 45 percent or a half of cable rate increases were based solely on the industry's monopoly in the market.

Mr. President, I certainly share the basic philosophy—and it is clearly a basic Republican philosophy, a conservative philosophy—that competition is superior to regulation. And, in fact, back in 1984, when we voted—and I was one of the people who did vote—to deregulate cable television, we assumed that there would be competition.

The chairman of the Communications Subcommittee, Senator Goldwater, argued at that time that by 1986 or 1987, every homeowner in this country will be able to have television reception, directly from satellites, of television programs going on in literally every country in the world. And the then chairman of the Commerce Committee, Senator PACKWOOD, predicted that we would be putting satellite dishes on our roofs in 2 to 3 years. And

the then president of the National Cable Television Association, Thomas Wheeler, testified before a Senate hearing that: "Cable systems are overbuilding each other. And by 'overbuilding,' we mean that a consumer will have a couple of choices of cable companies. There will be two cable wires running down the street."

Well, that was the assumption back in 1984. That assumption has not come to pass. In fact, in only about one-half of 1 percent of the homes in America is there more than one cable system.

Mr. President, competition is superior to regulation, but one thing that we do not tolerate in this country is unregulated monopolies. We would rather have competition than regulation, but we do not want to have neither, and that is the situation in cable television today. Cable television in the communities of America is an unregulated monopoly.

The cable television company providing service in Jefferson City or Cape Girardeau or Hannibal is an unregulated monopoly. It has no competition for the service it provides, and under present law it is not regulated.

That is a good business to be in. If I were in that wonderful business of running a highly desirable business monopoly, I might be tempted to behave as the cable industry has behaved. It is wonderful to be able to jack up rates without having anybody be able to do anything about it. That is what has happened.

Since cable television deregulation became effective at the end of 1986, cable television rates have gone up nearly three times the rate of inflation in America. Here is the industry that is going on television frightening people. Here is the industry frightening a person with multiple sclerosis that her rates are going to go up, and that industry, unregulated and noncompetitive, has raised its rates nearly three times the rate of inflation since the end of 1986.

It is a wonderful business to be in, to be a monopolist. It is great. It is very profitable. You could make a lot of money.

And according to my constituents, you can let the service deteriorate at the same time. And, according to my constituents, if anybody has the gall to complain, you do not even have to answer your telephone. In Jefferson City, MO, I am told, the cable company, TCI, has the practice of not even answering the phone when people call up.

Mr. President, that is what happens when there is a monopoly. That is how customers are treated when there is a monopoly. Stick it to them. Raise the rates. Forget about the quality of service. Treat them like dirt.

So it is no wonder that the cable industry delays. It is no wonder that the cable industry leads Congress to believe that you have a deal one day and then on the day of the markup, oh, it is Lucy's football. It is no wonder that the cable industry runs commercials on its own cable. It is no wonder that the cable industry frightens people with statements that are put in the bills. They will do anything they can to preserve their monopoly status, to string it out, to keep the good deal going as long as they possibly can.

This legislation is very moderate, very temperate legislation. It provides that the power of a municipality to regulate cable television expires when there is another multichannel provider. This legislation provides that when the conditions that were assumed back in 1984, namely competition, come into place, then there is no further power of regulation.

This bill, therefore, tracks the concept that Congress thought it was pursuing back in 1984. I regret that the President is going to veto the bill. I understand his basic view that Government regulation is something to be avoided. But it is absolutely basic Republican philosophy going back to the days of the great trustbuster, Theodore Roosevelt, that if there is no competition there must be regulation. Because when it comes right down to it, it is the American people who must come first, not the monopolists. And unless we pass this legislation it is the monopolists who will continue to come first, the cable monopolists, the business interests that have the absolutely free hand.

It may well be that time will run out before we vote on the override. I am sure the theory of the cable companies is delay action, because as long as they can keep the present good deal going they will do it. But I know my friend from Hawaii and I know his commitment to this issue. I can say if we run out of time again in this Congress, we will be back on day 1 of the next Congress.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BURNS. Mr. President, I yield 10 minutes to my colleague from Colorado, Senator WIRTH.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I thank my distinguished colleague from Montana for yielding.

I am not undecided on what I am going to do on this particular legislation. As I have told the distinguished Senator from Hawaii and others, I think it is a very bad piece of legislation, setting extremely bad precedents and demonstrating a misunderstanding not only of the history of the industry for the future of the industry. We will have a short debate this afternoon then we will all vote tomorrow afternoon. The President, I hope, will veto the bill.

I am not a partisan on the other side either, but I do hope that President Bush does fulfill his commitments that he has given to so many about vetoing this legislation.

Telecommunications policy is set by the Congress and should be designed to promote new products and new technologies and new services. It can be an extremely lucrative industry. It can be extremely lucrative if you find the right niche.

What has happened over the last 60 years since the Communications Act of 1934 is that there have been a lot of niches carved out, and people have done very well: Radio and television broadcasters and telephone service providers and so on, have all done at times very, very well.

What has happened when they do so well is that they do everything they can to keep new technologies and new competitors out. What happened was, with the history of radio, that the FM radio people did everything they could to keep FM out because they did not want the competition, and we had to go in and require FM bands in radio.

The same thing with the television world. The VHF television people controlled the making of television sets. They would not permit the UHF receiver in television sets. We had to require them to do so. We had to do the same thing in the telephone world. We had the enormous monopoly of Ma Bell and that changed and we allowed new competitors to come in and the Congress required it. And we had the same thing that happened to the Cable Act of 1984. There was the impetus to install new technologies and come in with new kinds of programming and new initiatives, the genius of Ted Turner and others to bring this new technology on board.

During that process the television stations were doing everything they could to quash the new technology and to maintain a piece of their monopoly. And here we go again.

The same people trying to keep out the new offering on the block, are at it again. The legislation is not at all about consumer issues. This is not what is in front of us. Those of us who believe there should be modest changes related to the cable television industry on a number of occasions tried to get an alternative to this overwhelmingly bad piece of legislation. We tried to get an alternative that would address the real consumer problems of rates and customer service.

It was fine to go ahead and do some rate regulations. There have been some rate abuses and there have been some problems with service.

Cable has grown so rapidly, as I said in an earlier debate last year, it is like the 14-year-old boy who suddenly grows very, very rapidly in a year and outgrows his shoes and pants. Cable was growing so rapidly with the Cable Act of 1984 unleashing all the fetters, that cable was not able to provide as good

service as they wanted. And they are now embarked upon major service initiatives.

This legislation is not about rates and services. It is about the attempt of those other entities to come back in and grab a piece of the pie and to try to hold cable down. That is what this is all about.

If it were about rates and services we would not be here talking about this legislation. If it were about rates and services, what would be happening is that the proponents of the bill would be, on their side, talking with us and rejoicing with us about the extraordinary commitments that have been made by the cable television industry and the huge contributions they have made.

I ask those who are for this bill, where else is there any programming for children on television? The broadcast industry who is dramatically pushing for this piece of legislation, have virtually abdicated their responsibility when it comes to children's programming. There is virtually no programming on commercial broadcast stations now for kids.

On the other hand, Nickelodeon, Discovery, Cable in the Classroom, almost a third—maybe close to a half of the junior and senior classrooms in the country have been wired by the cable industry. Appealing to the interests and needs of young people—cable television has done that, the over-the-air broadcasters have not.

There is an explosion of television programming on cable television. The premium services, like HBO, Showtime, and Disney, have increased with the expenditures from $1 billion in 1984 to nearly $3 billion a year today. Basic cable programming investment has gone up six times, from $300 million to close to $2 billion a year.

So if this debate were about services being offered to the American public, the proponents of the bill would be rejoicing with us at the enormous job that has been done by the cable television industry. The facts are indisputable. They are out there clear as a bell. In fact they would not be talking about rates, either, because the facts of the matter are that the consumer on an inflation adjusted basis pays less per channel today than that consumer did in 1986.

So this is not an issue that has to do with services. This is not an issue that has to do with rates. If it were service and rates we would have had an agreed-upon bill a long time ago. We were ready to go with a piece of legislation related to services and rates. It is not about that whatsoever.

What this is all about is that this legislation has turned into a free-for-all involving several large and wealthy commercial interests. Cable's competitors have hidden behind these so-called consumer protection issues, the service rate issues, in order to advance communication policies that would never stand on their own. The financial rewards that the conference report hands to these competitors has now clearly replaced consumer concerns as the driving force behind the legislation.

For example, the broadcasting industry will benefit financially if the retransmission consent must-carry provisions become law. To get those rewards the National Association of Broadcasters has financed and led a massive lobbying campaign in support of the legislation. That is such an extraordinary lobbying campaign that in fact, as I have written to the chairman of the Commerce Committee, they have abrogated their public interest responsibilities in terms of responsible broadcasting. The broadcasters have moved far beyond normal lobbying tactics. In the famous memos that have come out from the NAB, which I have discussed here on the floor—the National Association of Broadcasters ask the television stations to in fact get their news departments to skew the news, so they can have their point of view come forward. That is a breach of the public trust and it is outrageous.

We are talking about the little old lady that Congressman SWIFT used to talk about or the consumer that the distinguished Senator from Missouri was talking about.

What about this fundamental issue, Mr. President, of the broadcasters requesting their news departments to lobby for their own commercial interest? That is what this is all about, it is for their own commercial interest.

The conference report has become overweight, fat and bloated with favors for cable's competitors, including ABC, CBS, NBC, and the other broadcasters, direct broadcast satellite operators like General Motors Hughes Communications, and the wireless cable operators. These provisions do not protect consumers. Not at all. What they do is line the pockets of the other interests that, just as they have for the last 60 years, are trying to keep the new entry down.

This conference report is going to lead to higher rates for consumers. There is just no question about it. In many cases, it is going to require a payment for the so-called retransmission consent.

Where is that money going to come from? These are the same broadcasters who used to beg and do everything they could to ensure that cable television would carry the broadcasters' signals.

Now they figure there may be a new trick in all of this and what they are going to do is not only line their own pockets but also what they are going to do is run flat in the face of the people who own this programming.

Who owns this programming? Not the broadcasters. Broadcasters do not own this programming. The people in Hollywood for the most part own this programming. The broadcasters in this are arrogating unto themselves the responsibilities of collecting fees for something that somebody else owns.

It is wonderful if you can get away with it. And they are trying to get away with it. They are terrorizing Members of the Senate and terrorizing Members of the House with fears about what is going to happen to them in new programming.

It is going to happen in other ways, too, Mr. President. Legislation requires cable systems to install expensive new equipment. This is presumably to allow consumers to pick and choose between all cable networks rather than paying for a package of stations they do not want. The list goes on and on, Mr. President.

Mr. President, this is bad legislation. If this were just dealing with rates, if this were just dealing with service we would have had an agreement a long time ago. The reason it has been contentious is that all these other interests are trying to carve off another piece of the pie for themselves.

The cable industry has invested an enormous amount, they brought enormous services to America. The broadcasters were coughing a little dust as the cable industry went by and now they are trying to use legislation to accomplish what they could not do in the marketplace.

Mr. President, I ask unanimous consent that the information on the NAB memorandums and editorials from the Rocky Mountains News, the Denver Post, and the Washington Post along with my full written statement to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

NATIONAL ASSOCIATION OF BROADCASTERS,
Washington, DC, September 3, 1992.

To: Television Group Heads and Television General Managers.

We are in the fight of our life . . .

But, we fear too many broadcasters are content to sit back and hold the coats of those who are on the front lines.

Congress will adjourn on October 3, 1992. The cable industry has launched an all-out offensive featuring bill stuffers, network ads, local system ads, op-ed pieces and visits with Members of Congress, designed to do the following:

Prove to the administration that if the President vetoes the cable bill, they will do everything imaginable to support that veto.

Convince consumers that the cable bill is "anti-consumer," thereby giving cover to Members of Congress, Senators in particular, who want to risk changing their vote and oppose passage of the cable bill.

This effort will succeed unless—

Broadcasters do everything within their power to counter the NCTA offensive.

You have been given spots—Please run them.

You and your employees have been asked to communicate directly with your Senators—Do it and often. Ask for the order. Do not take no for an answer.

You have been given material for use by your news department that gives lie to cable's claim—Tell it like it is. Generate the news stories.

You have been asked to communicate personally and directly with Members of Congress, especially your Senators—Please do it today.

You have been promised any other supporting material necessary—If you need something, call the cable hotline [1-800-582-8830] and ask.

We have about 20 legislative days left to insure victory on the cable bill or lose it the last moment. We can think of no outcome harder to live with than one which is the direct results of unwillingness to participate. Anyone who does not believe that it is important to stand up and be counted does not deserve the benefits that will be realized from the successful passage of the cable bill, which will include retransmission consent and must carry.

The time is now. The choice is yours.

Sincerely,

Gary Chapman, NAR Joint Board Chairman; John Bebank, Government Relations Chair, ABC Affiliates; Ron Townsend, NAB TV Board Chairman; Ben Tucker, Government Relations Chair, CBS Affiliates; John Siegal, NAB TV Board Vice Chairman; Robert Kalthoff, Government Relations Chair, NBC Affiliates.

U.S. SENATE,
Washington, DC, September 10, 1992.

Hon. ERNEST F. HOLLINGS,
Chairman, Senate Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you know, the National Association of Broadcasters (NAB) has undertaken a major lobbying effort in support of S. 12, legislation to deregulate the cable television industry. Among other items, S. 12 includes provisions that would financially benefit the broadcast industry and the industry certainly has the right to express its views about legislation that would directly affect it.

However, the broadcast industry's effort to influence legislation may have gone beyond the bounds of reasonable lobbying practice. The NAB is not just asking broadcast stations to air advertisements and editorialize in support of the legislation they are seeking from Congress. The industry is also asking stations to abandon their obligation to provide fair and balanced news programming and to violate fundamental principles of journalistic ethics and integrity. The NAB wants broadcasters to manipulate the content of their news programs to advance their own economic interest in the enactment of S. 12.

This troubling new stage of the broadcasters' lobbying scheme is outlined in the enclosed memorandum that NAB sent on September 3 urging its membership to work to support S. 12. This memorandum was signed by Gary Chapman, the NAB's Chairman, along with the leadership of NAB's television board and representatives of the leadership stations for ABC, CBS, and NBC.

The NAB memorandum notes that broadcast stations have "been given material for use by your news department" as part of the broadcast industry's lobbying effort. The memorandum then implores stations to "Tell it like it is. Generate the news stories."

The industry's lobbying arm has apparently manufactured some "news" and expects its member stations to get in line and present it as a product of responsible, objective journalism. NAB isn't satisfied with having broadcasters participate in public debate by airing commercials in support of S. 12 or editorializing for that legislation. The industry wants member stations to use their news coverage, which viewers presume is fair, objective, and impartial, to advance their own economic interests and influence legislation.

Broadcasters have often proudly pointed to their news operations as the leading source of news for the public and as exemplars of modern, professional journalism. Television news has changed the way the public learns about and perceives events and public affairs. Many consumers have come to place a great deal of trust in broadcasters' news programming as a source of balanced, objective information. Viewers use that information to help develop their opinion about many public issues, including legislation before Congress. Apparently, NAB thinks the financial benefits that S. 12 would bring broadcasters are worth abandoning the industry's proud news tradition and violating its trust with the public.

I am deeply disturbed that the NAB is willing to urge broadcasters to abandon its journalistic integrity and principles. It's nothing short of breaking faith with the public's trust in television news coverage in order to influence legislation before the Congress.

Broadcasters have a unique position in the media. They are granted free use of the spectrum, a scarce and valuable public resource, and in exchange have certain public interest responsibilities and obligations as trustees of that resource. Part of these obligations is a duty to provide accurate and fair news and information to viewers in their broadcast area.

Over the years, we have worked hard together to ensure that broadcast communications policy serves the public interest. We have fought to reinstate the Fairness Doctrine and preserve broadcasters' public interest obligations under the Communications Act. While you and I may differ on the merits of S. 12, I believe you would find the NAB memorandum as troubling as I do.

The memorandum raises many questions. For example, did the networks participate in the development of this lobbying plan and memorandum? What was the nature of the material that NAB provided to broadcasters' news departments? Did it disclose broadcasters' financial interest in seeing S. 12 enacted? Did the NAB, or the networks, pressure stations to interfere with their news departments and air the material? Have any "news" stories been aired?

I do not know if many broadcasters have followed NAB's recommendation and broadcast the "news" material. I'm sure that many stations' news departments value their public trust and responsibilities, as well as their journalistic ethics and integrity, and have insisted on providing balanced presentations of the issues, relegating the NAB material to the editorials, where it belongs. But clearly, the authors of the NAB's recent memorandum do not place a high value on journalistic ethics and integrity.

I urge you to examine the memorandum, the NAB's decision to send it, and the Association's rationale for, and defense of, this action, as well as the response of individual stations. In order to obtain the financial benefits promised by S. 12, some leaders of the broadcast industry are willing to manufacture news to manipulate the views of the very consumers that S. 12 purports to protect. The broadcast industry appears eager to sacrifice the public's trust to make a buck. This matter deserves the Committee's attention.

With best wishes,

Sincerely yours,

TIMOTHY E. WIRTH.

NATIONAL ASSOCIATION OF BROADCASTERS,
Washington, DC, September 3, 1992.

To: Television News Directors.

From: Lynn McReynolds, NAB Vice President, Media Relations.

Re: Cable industry misinformation campaign.

The cable industry has declared war on supporters of S. 12, legislation that would reregulate the cable industry.

Earlier this year, consumer outrage over skyrocketing cable rates and shoddy service led to a massive cable industry defeat when both the House and Senate passed overwhelmingly legislation to reregulate cable rates and promote competition to cable.

Now cable has initiated a widespread campaign of misinformation and distortion that attempts to paint this legislation as anti-consumer.

Attached is information that both highlights the consumer benefits of this bill and refutes cable's specious claims. It includes:

(1) a major consumer group's highlights of the bill's benefits, including $6 billion in potential consumer savings;

(2) the facts about cable's distortions and new math;

(3) the facts on the pro-competition aspects of this bill;

(4) information on customer service benefits of the bill;

(5) the facts about broadcast provisions of the bill;

(6) a list of who supports the bill/who opposes it; and

(7) selected news clips about cable's distortion campaign.

We encourage you to use this information and do news stories about this issue to ensure that cable is not allowed to get away with its one-sided scare tactics. Consumers in your community have either received bill stuffers from the cable company and/or seen their ads on their local cable systems.

In addition, we understand that on Thursday, Sept. 10 some members of Congress are planning a news conference on the topic of the cable industry's campaign of distortions. We intend to make unedited, raw footage of that news conference available via satellite and will contact you later with more details.

For more information, please feel free to contact me at 202-429-5350.

U.S. SENATE,
Washington, DC, September 15, 1992.

Hon. ERNEST F. HOLLINGS,
Chairman, Senate Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to follow up on my September 10 letter regarding the National Association of Broadcasters (NAB) effort to support legislation to reregulate the cable television industry. My letter enclosed a September 3 NAB memorandum outlining the Association's lobbying plan, including use of television stations' news departments.

I have since obtained a copy of another NAB memorandum, prepared by the NAB's Vice President for Media Relations, which was apparently provided to the news directors at NAB member stations. For your in-

formation, I have enclosed a copy of this memorandum.

The contents of this second document only strengthen and reinforce the concerns expressed in my letter of September 10, concerns that I believe you would share. Again, I urge you to examine this matter more closely.

With best wishes,

Sincerely yours,

TIMOTHY E. WIRTH.

[From the Denver Post, Dec. 26, 1990]

DON'T STIFLE CABLE TV WITH FOOLISH OVERREGULATION

During the last session of Congress, there was a move afoot to create a federal law requiring cable TV companies to put more shopping channels on television.

Although this proposal died, it underscored the absurdity of the federal government's efforts to slap new controls on the cable television business.

Just this month, the Federal Communications Commission said it may let cities and towns regulate cable TV prices.

Initially, the impetus for price regulation came from consumer complaints that cable TV prices have risen too quickly.

In the minds of many Americans, cable television no longer is a luxury but a near-necessity. The cable TV industry has been woefully slow to recognize the political and marketplace implications of this attitude change.

For example, cable has brought many excellent shows into American homes. But these fine programs draw small audiences, so they don't attract big advertisers and can't be supported by ad dollars alone. What keeps them on the tube are the checks that subscribers write to their local cable company each month.

Take away the cable companies' ability to keep pace with the increasing cost of creating these shows, and the number of quality programs on the tube may decline.

Yet the cable industry never adequately explained this simple fact to its customers, so it's not surprising that consumers now are demanding quality programs, but simultaneously complaining that they don't want to pay for them.

The criticism of the cable industry's poor customer relations especially applies to some of the cable firms based in the Denver area, which number among the largest cable television enterprises in the country and which own dozens of systems across the nation.

These companies need to acknowledge the political forces rocking their corporate ships.

Competing industries—including broadcast stations, movie studios and video rental shops—have piggybacked their selfish concerns on top of consumer discontent.

For example, there's a new technology called High Density Television or HDTV, that will revolutionize video the way the compact disc transformed audio.

Cable TV systems are racing to put in new fiber optic systems that will allow them to bring HDTV to consumers in the very near future. But this investment will cost hundreds of millions, even billions, of dollars.

Since fiber optic networks will give cable TV companies an advantage over broadcast stations, the broadcasters have a strong interest in seeing price controls slapped on the cable business: if the cable companies don't have enough revenue coming in from subscriber fees, they won't spend as much money putting in fiber optic systems.

In the end, American consumers won't have access to HDTV or other new technologies as quickly as they would have without this political manipulation.

Congress and the FCC should peek behind the mask of consumer protectionism in which other entertainment industries have wrapped their pleas for price controls on cable TV.

Government interference only will reduce the financial ability of cable companies to put good shows on the tube and to move forward with promising technologies. The results only will harm the consumers that Congress and the FCC claim they are trying to protect.

[From the Denver Post, July 30, 1992]

CABLE BILL SHOULD DIE

George Bush should, as he has threatened, veto a cable TV reregulation bill that Congress passed last week. It's a poorly written and contradictory piece of legislation, adorned with so many gimmicks that it resembles a Christmas tree decorated with items from the local junkyard. Worse, in the long run it could harm consumers.

The Senate version would force cable TV companies to negotiate with local broadcast stations for the right to carry their signals—Mile Hi in Denver and United Cable in the metro suburbs, for instance, would have to bargain with local channels 2, 4, 6, 7, 9, 12, 20, 31 and 57, each of whom could drive their own bargains.

Of course, the broadcast stations would demand money from the cable company for the privilege, and those costs would be passed on to consumers through higher monthly cable bills or by the cable TV companies dumping some channels they now offer, to save money. This outcome could hardly be called consumer protection, as some members of Congress claim.

In the House version of the bill, the Federal Communications Commission would have to draw up a formula for cable TV prices across the country—never mind that circumstances may vary so much from city to city that a nationwide equation might be unworkable in some places. Local governments then would have to figure out how the formula applies in their cities and force the local cable TV company to comply—in other words, local governments would have to play traffic cop on a road designed by bureaucrats in Washington.

Congress isn't giving local governments any money to handle the new responsibility—even though some experts figure the nationwide cost of reregulation at about $200 million a year—so cities would have to come up with the dough on their own. In Denver's case, that means the city would have to take some of the $1.53 million it got from cable TV franchise fees this year—which went right into the city's general fund—and instead use it to hire bureaucrats to decipher the FCC formula. That factor is one reason that Bill Bradley, telecommunications chief for the city of Denver, opposes the cable TV reregulation proposal.

Bradley, who has been the head of a national group of municipal cable TV regulators, instead thinks local governments and cable TV regulators, instead thinks local governments and cable television companies ought to sit down at the bargaining table and work out a common-sense compromise themselves. Bradley's idea is a darn good one, but unfortunately Washington isn't listening.

The cable TV industry enjoyed freedom and profits during the 1980s, and it could have thrived for years in that business paradise had it improved customer service and not been greedy. Now that consumer discontent has collided with election year jitters in Washington, a bad idea is on the verge of becoming law.

Bush so far has a perfect record on vetoes. Hopefully, this promised veto will stick as well.

[From the Rocky Mountain News, Sept. 14, 1992]

CONGRESS RESORTS TO OVERKILL IN CONTROLLING CABLE RATES

What with the new bipartisan regard for business, members of Congress don't speak much of "obscene" corporate profits anymore. Cable television, however, sorely tempts some. "Current law tells the cable companies that it's OK to be a thief," harrumphs Sen. Albert Gore, D-Tenn. As soon as next week Congress may well pass "anti-theft" (but, alas, not anti-demagogy) legislation.

The measure, a blending of bills already passed separately by the House and Senate, would require the Federal Communications Commission to set the rates for basic cable service, newly defined to include local stations plus a few national "super stations," in America's diverse communities. Local officials would be left to administer the schedules. The bill is also likely to punish cable operators who charged "unreasonably" for more specialized programming like the Discovery Channel and Nickelodeon and would even specify how many phone lines companies must dedicate to gripes from subscribers.

We somehow have trouble picturing members of Congress as arbiters of economic justice.

Sure, rates have leapt 60% since 1984 deregulation, but partly because companies have been servicing more remote areas. (Ninety percent of U.S. households are now within hook-up range.) The companies also have found it expensive to keep spellbinding promises made to win local franchises—like providing "free" service to public schools. The companies' motive may have been greed, but municipalities conspired in—and are partly to blame for—these unrealistic deals. The ensuing public discontent hardly justifies the micromanagement of a whole industry.

Where cable is a monopoloy, it does indeed deserve additional regulation. But not regulation like this: The bill likely to be passed and sent to the president would not merely establish rate guidelines for basic service, but also force cable subscribers to pay an additional fee to watch programming from local broadcast stations—stations the public can now watch for free without cable—as well as require cable companies to release programming they create themselves to potential competition.

All in all, the plan will probably cost cable companies billions—part of which burden is sure to fall upon cable subscribers. How could it not? Yet congressional supporters of the bill blindly continue to call it "proconsumer."

Congress' majority may be aiming to embarrass President Bush before 52 million cable-using households by passing a bill he has pledged to veto. But perhaps consumers aren't as economically illiterate as members of Congress suppose. Surely many realize that the United States is on the threshold of another home-entertainment revolution, what with "pay for view" (including the possibility of selecting from thousands of mov-

ies without ever leaving your home) and other innovations bursting onto the scene. These advances require considerable capital investment, which could be choked off through too-heavy-handed regulation.

Equally to the point, since when did cable become one of life's necessities? If the federal government intends to get so intimately involved in managing a discretionary entertainment like cable, why shouldn't it, for example, manage the business of making cars (there are fewer automakers than cable companies, after all).

The best restraint on cable prices is, of course, competition, and it so happens that other technologies and businesses—including telephone companies—are gearing up to vie with cable firms. In the 65 U.S. communities that have allowed multiple cable operators, rates typically have fallen around 25% while programming has expanded. Congress should do what it can to encourage such competition, not redefine cable television as another of life's entitlements.

[From the Washington Post, Sept. 19, 1992]

UNCLE SAM IN CHARGE OF CABLE

The Cable legislation approved by the House and now headed for a Senate vote calls for the federal government to step in and reregulate the industry from rates to program packaging. But this approach assumes that cable, now supplied mostly by monopolies, is a utility as necessary as electricity or telephone service. In fact, cable is a consumer option in what should become a more competitive market. This particular bill would give government a role in cable that consumers may not find so welcome over the long haul.

Forget the cable industry ads predicting that passage of the bill would send everybody's cable rates through the ceiling. Forget as well the arguments of supporters—including over-the-air broadcasters, who like a provision that would force cable operators to negotiate with them before retransmitting their signals—that the bill would force price cuts of up to 30 percent. Both sides—and we note here that The Washington Post Co. owns cable systems as well as broadcast television stations—have resorted to heavy lobbying. So has the motion picture industry, which opposes the bill because Hollywood wouldn't get any cut of the royalties that broadcasters could seek from cable operators.

Under the measure, the government would set "reasonable" rates for what it would define as "basic" programming, control prices for installation and equipment, require efficient customer service and force cable operators to equip all subscribers for channel selections that now are sold as packages of channels. The result of all these requirements is not more competition; it's more likely to be cost-cutting by eliminating cable programming or even entire channels.

The effort to control gouging by cable operators should focus on increasing competition, not on heavy reregulation. Until competitors do materialize, some determination of a reasonable rate of return for certain basic cable service is a legitimate legislative pursuit next year. This bill goes overboard.

INTRODUCTION AND OVERVIEW

Mr. WIRTH. Mr. President, this is a very important debate. The decisions we make today will significantly influence the future shape of the telecommunications industry. We need telecommunications policies that promote the development of new technologies, products, and services. And our policies should also seek to ensure that modern telecommunications is available to all Americans as we move further into the information age.

For nearly two decades we have been moving to a more competitive telecommunications marketplace. Competition spurs innovation and new technology. It also helps foster a diversity of communications equipment and information. Innovation, lower prices, more choices, and broad access—these have been and should remain our goals. We need to consider whether the conference report will help advance those goals or work against them.

Unfortunately, the legislation before us does not pass that test. What began as an effort to address legitimate consumer problems has now turned into a free-for-all involving several large and wealthy commercial interests. Cable's competitors have hidden behind consumer protection in order to advance communications policies that could never stand on their own.

The financial rewards the conference report hands to these competitors have now clearly replaced consumer concerns as the driving force behind the legislation. For example, the broadcasting industry will benefit financially if the retransmission consent must-carry provisions become law. To get those rewards, the National Association of Broadcasters [NAB], has financed and led a massive lobbying campaign in support of the legislation. The NAB has gone so far as to implore broadcast stations to use their news programs as a lobbying tool to help the conference report become law.

The conference report has gone so far beyond its proconsumer roots that it would do consumers more harm than good.

We have heard a lot of criticism of the Cable Act of 1984 as a sellout of consumers. That criticism ignores the many benefits consumers have reaped from that legislation. It has made it possible for the cable television industry to invest in new equipment, programming, and technology. Because of those investments, consumers have access to a greater number and broad variety of programming choices. Consumers have much more to pick from today—whether they prefer news, local affairs, sports, children's, arts, movies, entertainment, or other types of programming. The rapid growth in the number of cable subscribers since 1984 confirms that consumers themselves recognize the benefits the Cable Act has made possible.

However, in recent years, there have been some problems with basic cable rate increases and poor customer service that deserve our attention. I would support legislation to address the legitimate consumer issues. In fact, I worked hard 2 years ago in an attempt to pass balanced consumer protection legislation.

The conference report is not balanced consumer protection legislation. It has become overweight with favors for cable's competitors, including: ABC, CBS, NBC, and other broadcasters; direct broadcast satellite operators like General Motors' Hughes Communications subsidiary; and wireless cable operators. These provisions do not protect consumers.

The bill will hurt consumers in a number of ways. First, it will drive up cable systems' operating costs by billions of dollars. Estimates of the bill's costs run between $2 and $6 per month for each cable subscriber. The sponsors of the bill argue that they do not intend for these costs to be passed along to consumers. Who are they kidding? Where else is the money going to come from? Will the Federal Communications Commission really be able to force a cable system to leave its rates unchanged after its costs go up so dramatically?

How will the bill lead to higher rates? In some cases, it will require payment of so-called retransmission consent fees for broadcast programming that consumers receive for free today. That money will go right in the pockets of America's television broadcasters. I don't think there's any doubt that the average cable viewer needs the money more than television station owners.

The legislation will also require cable systems to install expensive new equipment. The new equipment is intended to allow consumers to pick and choose between all cable networks rather than paying for a package that includes stations they do not want. But don't worry about the over-the-air broadcasters; they get a special deal. Under the conference report, if consumers want to buy any cable stations at all, they would have to pay for the broadcast stations that they can already get over the air for free.

In order to make this transfer of income from consumers to broadcasters possible, the conference report will force the cable industry to spend as such as $5 billion installing the new equipment. That will put upward pressure on rates.

Another part of the conference report that will hurt consumers is program access. Under this scheme, the creators of cable programs would be forced to sell the programs to their competitors. Think about that. A persons creates a piece of intellectual property. Then the Government dictates who he must sell to and at what price. It is easy to see what will happen to the incentive to invest in new programs. The result will quickly be fewer choices for consumers.

Cable's competitors, not consumers, will benefit from program access. These competitors already can deliver cable programs to consumers at competitive prices. They will have no in-

centive to lower rates after program access lowers their expenses. They will just pocket higher profits.

Retransmission consent, new equipment costs, increased operating costs, program access, and a rate regulatory structure that is overly cumbersome will all limit the cable television industry's ability to invest in new equipment, programs, and technology. As a result, the quality of cable service will stagnate. It may even decline. Viewers will get less new programming and more reruns. Cable will also be less able to help modernize our communications infrastructure—so important to our future economic vitality—or bring consumers the wide range of new communications technologies, products, and services that are on the horizon.

We have not yet achieved our goal of a fully competitive marketplace. That's why it's necessary that we take some interim steps to protect consumers. However, competition is taking hold and increasing within the rapidly evolving video marketplace. Regulators have also recently taken several significant steps to accelerate the trend toward greater competition. Unfortunately, the conference report ignores these trends. It looks to the past to resolve today's problems—with no eye to the future.

Whatever short term benefits the cable bill may provide consumers will soon be dwarfed by the later costs. In the end, the only people who will be happy with the legislation then are the special interests that it rewards. If we do pass the legislation and it becomes law, we will have a great deal of explaining to do when our constituents see their cable bills increase. Are we prepared to defend our votes for legislation that drove up cable rates?

What will we say, that we thought it was in the public interest to hand broadcasters and other cable competitors higher profits out of consumer's pockets? There's no question what we should do. This legislation is a handout for special interests that will hurt consumers in the long run. The Senate should reject the conference report's extraneous provisions and instead tackle the legitimate consumer issues of rates and customers service head-on.

With that overview of my views on the legislation, I would like to review some of the background that has brought us to this point and explain my concerns about the conference report in greater detail.

THE CABLE ACT OF 1984

Before the Cable Act of 1984, the cable television industry was the prisoner of a highly fragmented scheme of local regulation. Local governments kept cable rates artificially low. Between 1976 and 1986, cable prices were allowed to increase at only two-thirds the rate of inflation and, in some cases, dramatically less.

The franchise process, particularly franchise renewals, was an uncharted mine field. No uniform guidelines existed from community to community. The process was often used as a tool to accomplish social or political goals. And an operator had no assurance that its business would not abruptly cease when the franchise expired, even if it has provided outstanding service.

This regulatory system made it nearly impossible for cable operators to make the investments needed to upgrade their systems or develop additional programming services. The Cable Act of 1984 established a more uniform regulatory structure, implemented by the FCC, in order to encourage investment in new plant and equipment, programming and technology.

THE CABLE ACT HAS WORKED

While debate has dwelled on the legitimate complaints we have received concerning rate increases and customer problems in some areas, we should also recognize that the Cable Act has worked in many respects:

First, more people receive cable. The number of cable subscribers has increased from 30 million in 1984 to 56 million today.

The number of cable systems climbed from 6,000 in 1984 to more than 11,000 today. Local governments already have the authority to regulate basic rates for 61 percent of those systems.

The new systems, and expansion of existing ones, have made cable available to most Americans and brought greater competition for broadcasters; 96 percent of television homes can now receive cable. Only 72 percent could in 1984. More than 60 percent of these homes actually subscribe today.

Second, cable viewers get more for their money today. Ninety percent of cable subscribers receive at least 30 channels, with the average subscriber getting more than 35. In 1984, only 38 percent of all cable systems offered 30 or more channels.

One-third of all cable subscribers now receive 54 or more channels; channel capacity continues to increase—late last year a 150-channel system was launched in New York.

As a result of the increasing number of channels, cable viewers actually get a better deal today. The price consumers pay for each basic channel increased at a lower rate than inflation from 1986, when rate deregulation took effect, to 1991.

That's right, when we adjust for inflation, consumers actually pay one penny less for each basic channel than they did before rate deregulation.

Third, cable has invested in new programs for consumers. Cable operators' annual investments for basic cable programming have jumped from $300 million in 1984 to almost $1.8 billion this year. Overall program spending by both basic cable networks and premium cable services, like HBO, Showtime, and the Disney channel, has climbed from $1.1 to $2.8 billion during this period.

The number of cable networks—like C-SPAN, Discovery, CNN, ESPN, and TNT—has increased from 49 in 1984 to 76 in 1991, with continued expansion expected through the 1990's.

Fourth, cable is modernizing our communications infrastructure. Cable operators have substantially increased their investments in plant and equipment; annual spending for this purpose was $100 million in 1983, before passage of the Cable Act. Since 1984, the industry has invested more than $5.4 billion in plant and equipment.

Consumers have benefited from the improved picture quality, reliability, increased availability of cable, and greater number of channels that this investment in new technology has made possible.

The industry continues to invest in new technologies that promise to bring new benefits to consumers. At a time when many other industries have dropped their research capabilities, cable established CableLabs, a new research and development consortium.

Technologies such as fiber optics and digital compression promise a huge jump in the number of channels available to viewers. The industry has already begun to introduce fiber optics in many systems throughout the country.

Cable technology also allows for carriage of high-definition television signals and the industry is involved in research and development efforts designed to bring this technology to consumers. Interactive television is another area of research that could lead to a variety of new services.

Fifth, cable is creating new jobs for American workers. Cable has brought jobs to thousands of Americans since the Cable Act became law. Cable provided 67,000 jobs in 1984 and employs more than 106,000 today. The industry generates another 69,000 jobs through its suppliers.

The impact of cable's growth has been tremendous. For example, the Cable News Network [CNN] is the envy of the world. It has brought world events much closer to us. We have become accustomed to seeing historic events such as the Gulf war and dramatic developments in the Soviet Union and Eastern Europe as they happen rather than seeing brief film clips after the fact. Some observers even credit CNN with helping bring about changes abroad because demonstrators are encouraged by the knowledge that their voice will be heard.

Closer to home, C-SPAN has made television coverage of our debates commonplace. Viewers also now have a wider choice of entertainment, educational, children's, and sports programming.

CABLE'S PUBLIC INTEREST OBLIGATIONS AND SERVICES

The Cable Act imposes a number of public interest obligations on the industry which we don't hear about very

often. For example, the 1984 legislation includes important Equal Employment Opportunity provisions to prohibit discrimination in employment in the cable industry and encourage the industry to hire minorities and women. No other sector in the communications industry has agreed to a similar statutory obligation. The House-passed version of the cable legislation would have applied similar standards to television broadcasters. However, the conference report deletes those standards and merely codifies existing FCC rules in this area. My good friend, BILL RICHARDSON, whom I've worked with in the House, opposed the conference report because it diluted those provisions.

Other provisions of the Cable Act allow franchising authorities to require that channels be dedicated to public, educational, or governmental use and require cable systems to make channels available for commercial use. The Cable Act prohibits redlining of services, and requires operators to disclose to subscribers the kinds of information the cable operator collects and maintains about customers.

The Cable Act permits cities to collect a franchise fee of up to 5 percent of gross revenues. The industry paid $826 million in franchise fees in 1991, up from $200 million in 1984. That's one-fourth of the aid we provide cities through the Community Development Block Grant Program.

The cable industry's "Cable in the Classroom" program began in 1989 and now reaches nearly half of our public school junior and senior high school students with commercial-free educational programming at the industry's expense—$53 million annually. The industry has also developed programs that allow students to earn college and graduate degrees at home from accredited colleges and universities. These programs are available to millions of homes.

PROBLEMS WITH THE CONFERENCE REPORT

The Cable Act has brought some very real benefits to consumers that Congress should recognize. We need to fine tune the law but we should not make changes that go so far as to cripple the industry's ability to keep making the investments that have made cable so attractive to millions of consumers. The conference report does go too far. It would damage the industry and consumers alike and many of its provisions are in no one's interest save the competing industries that receive favored treatment in the legislation.

Many of the legislation's provisions will reduce the ability of cable to compete in the future, both with other video programming providers and in other sectors of the telecommunications industry. We need to be conscious of how our decisions will shape future competition and the services available to consumers.

RATE REGULATION PROVISIONS

Under the conference report, the price of nearly every service and all equipment offered by a cable system, as well as most details of the system's operation, are potentially subject to regulation. The legislation requires the FCC to regulate basic cable and the cost of equipment for systems that do not face effective competition. It also creates a new effective competition. It also creates a new effective competition standard that would subject virtually every cable system in the country to rate regulation.

Local franchising authorities could petition the FCC to allow local regulation of basic service. The FCC must grant permission if the local authority's laws and regulations conform to the Commission's regulations. In addition, the conference report allows for FCC regulation of other cable services upon complaint by any cable subscriber. This could force both the Commission and cable systems to waste time and money responding to frivolous, nuisance complaints. If we choose to adopt bad actor provisions to extend rate regulation beyond the basic tier, there are other options that would be much more reasonable and cost-effective. For example, we could require complaints by a franchising authority so that isolated and ungrounded complaints will be filtered out before they reach the FCC. Alternatively, we could require complaints to be filed by some threshold percentage of affected subscribers before FCC action would be required.

The legislation could allow a return to the extreme rate regulation and fragmented regulatory system of the past. Cable has become a national industry and a return to a patchwork regulatory structure would be a step backward. The result would be an industry unable to invest in new technologies, increase channel capacity, and develop new programming. Consumers will suffer if that comes to pass.

And what will consumers gain in return? Unfortunately, we just don't know. The conference report includes provisions that will significantly increase the cable industry's cost of doing business, increases that will inevitably be passed along to consumers.

For example, the conference report would require cable systems to place addressable technology in every subscriber's home. The requirement is intended to prevent cable systems from requiring subscribers to buy certain services and programs in order to be able to buy premium channels. This technology already exists and is expected to become more widespread. But mandating that it be installed in every household will cost the industry billions.

The legislation also includes the so-called retransmission consent provision that could cost the industry at least $1 billion a year, $1.50 a month for each subscriber. Together, these two provisions could increase cable bills by more than $2 a month. Some estimates range up to $6 per month. And that doesn't include the millions of tax dollars that will be spent each year to implement reregulation, the losses consumers will see through decreased programming quality, or other costs the industry will face in complying with various requirements imposed by the legislation. All in all, it's enough to make one suspect that rates will be lower if we pass no legislation at all.

PROGRAM ACCESS PROVISIONS

The conference report's program access provisions will also damage the industry and consumers. These provisions would give cable's competitors mandated access to cable programming. This flies in the face of American business practices and copyright law. Other owners of intellectual property are not required to sell their work to particular parties, let alone to their competitors. A journalist does not have to allow any newspaper to carry a syndicated column; broadcast networks control what stations carry their programming; movie studios control who can distribute their product to the public.

Exclusive intellectual property rights promote a diversity of information, entertainment, new technologies, and so forth. Without control over the resulting product, no one has an incentive to create intellectual property. That's why we have patent and copyright laws. Under this legislation's scheme, owners of intellectual property would no longer be able to control the distribution of their product. Think about that. A person creates a piece of intellectual property. Then the Government effectively takes it out of his hands—dictates who he must sell to and at what price. That practice is unprecedented.

What does that mean for the companies that create programming? A company comes up with a program idea. It puts very substantial money up—often hundreds of millions of dollars—in a risky market to support the program service. As soon as that program becomes a success, competitors are at the door demanding access at Government set rates. It is easy to see how such a system would stifle the incentive to invest in new programs. The result will be fewer choices for consumers in the future.

Competitors such as satellite dish distributors and wireless cable operators already have access to cable programming and can deliver those programs to viewers at competitive prices. However, they want more than access to cable programming. They want to be guaranteed access at the lowest possible price.

Wireless operators and satellite distributors have much lower regulatory,

capital, and operating costs than cable. They could use this advantage to compete with cable by investing in programming and bringing new choices to viewers. That's how cable grew and that benefits consumers. Instead, they want to get a free ride on the investments cable has made and use their lower costs to undercut cable on cable's own programming. Why should cable programmers invest in new programming, take risks developing and establishing a new service, and then be forced to give a competitor a higher profit margin in offering the service.

If we pass legislation forcing cable to give its competitors this price advantage, cable will have little incentive to develop new programming. It is cable operators, not banks, that have provided most of the financing for cable networks such as CNN, C-SPAN, the Discovery Channel, Lifetime, Black Entertainment Television, and many others. The access provisions would stifle any further investment in programming and greatly harm an important media industry. Consumers will suffer as less new programming comes to the marketplace.

RETRANSMISSION CONSENT/MUST CARRY

The conference report reinstates must-carry rules that require cable systems to carry local broadcast signals. These provisions are similar to earlier FCC rules that were overturned by the courts in 1985. In addition, the legislation requires cable operators to obtain permission to carry a broadcast station's signal. A broadcaster could use this retransmission consent provision to negotiate compensation for carriage on a cable system or to deny permission for a system to carry its signal. Broadcasters would have a choice of exercising the retransmission consent right or the must-carry rights. They could change their decision every 3 years.

The authors of the conference report might be able to make a case for a retransmission consent provision or a reasonable must-carry regime. However, combining the two creates an unbalanced relationship between cable systems and broadcasters. Pairing retransmission consent with must-carry gives broadcasters too great an advantage. Popular stations that cable systems want to carry will be able to obtain payment or force the system to do without broadcast programs. Yet, a less attractive station that would benefit from being carried on a cable system would be able to use the must-carry rules to guarantee access to the system at no charge.

Carriage of broadcast signals on a cable system can benefit both parties. Who benefits more will vary from case to case and it's understandable when one party will often expect compensation from the other. However, the combination of must-carry with retransmission consent gives all the leverage in negotiating the relationship to the broadcaster.

Retransmission consent will give broadcasters access to a new revenue stream. It will also weaken their leading competitors, the cable industry. A leading broadcaster has testified that retransmission fees could reach $1 billion or more each year. That works out to $1.50 per month for each cable subscriber.

Cable systems will either have to raise rates in order to pay for retransmission rights or they will have to take those costs out of their existing programming budget. This would reduce the funds available to purchase or invest in programming that is not available from broadcasters. Retransmission consent means that cable will either cost more or offer less. Either choice will make the cable industry less competitive and hurt consumers.

Do we want to pass legislation that will enrich broadcasters at the expense of consumers and the cable industry? Broadcasters already reap large profits through the free use of a public resource—the spectrum—and their public interest obligations as custodians of that resource have fallen significantly over the past decade.

In addition, retransmission consent raises serious copyright and intellectual property questions, as do the program access provisions. Because of these concerns, the cable industry is not alone in strongly opposing the proposal. Unfortunately, we have not paid enough attention to the copyright implications of the legislation. We may well want to revisit current law in this area but we should be more aware of what we are doing when we act in this area.

I believe we need to debate the intellectual property issues. Instead, the sponsors of the legislation prefer to debate the rates and customer services issues that offer firmer ground on which to build support for the legislation. Consequently, the public has not paid much attention to the important issues at stake in the retransmission consent and program access provisions. The special interests that will reap financial rewards if they become law have paid a lot of attention to those provisions however. They know what's at stake and those provisions are the major reason the broadcasters and other wealthy interests are working hard to support the legislation.

CUSTOMER SERVICE PROVISIONS

The legislation would require the FCC to establish customer service rules and grandfather any stronger rules in effect on the date of enactment which exceed the Commission's rules. Cities would be permitted to establish stronger customer service requirements. This would subject the industry to the burden of complying with a wide array of new rules that vary from town to town, just the type of problem that we solved in 1984. In January, I supported an amendment that included similar customer service provisions. However, that amendment would only have permitted State governments, rather than local governments, to establish new standards that exceed those set by the FCC. This would strike a better balance, allowing for more stringent standards to protect consumers without unduly burdening the industry.

RECENT FCC ACTIONS TO PROMOTE COMPETITION

The FCC has taken substantial steps to increase competition since we began the cable debate. These FCC decisions will forever change the competitive structure of the industry. In June, the Commission relaxed its more than two-decade-old ban on broadcast networks' ownership of cable systems. More recently, on July 16, the FCC permitted telephone companies to offer so-called video dialtone services that will eventually compete directly with cable television. Several other recent changes predate our consideration of S. 12 but have only begun to affect the marketplace. Last year, the FCC tightened its effective competition standard, a move that increases the number of cable systems that are subject to rate regulation by local governments. And the FCC has also encouraged greater head-to-head competition for cable by licensing additional direct broadcast satellite systems and prohibiting cable operators from owning wireless cable systems in the same markets.

Consumers may not feel the benefits of these decisions immediately. But they will bring far-reaching changes in the coming months and years. Senators should take these developments into account when considering cable legislation, particularly the provisions that seek to settle intraindustry competitive disputes.

VIDEO DIALTONE

The Commission's July 16 video dialtone decision significantly expands the ability of telephone companies to deliver video programming to consumers. Video dialtone will allow viewers to receive television programming and some related services from local telephone companies. The phone lines would be used on a common carrier basis, available on equal terms to all parties that wish to offer programming. This step will encourage greater competition for cable as well as the development of new interactive services. For example, telephone companies could allow customers to make selections from a wide variety of programming, giving viewers access to more choices and the ability to watch programs when they want to, not according to a programmer's schedule.

The video dialtone decision does more than allow telephone companies to deliver video programs in competition with the cable industry. It allows them to do so on favorable terms. Telephone companies will be able to deliver

video programming without having to obtain a franchise, pay fees to local governments, or comply with the other obligations the Cable Act places on cable systems.

NETWORK/CABLE CROSS-OWNERSHIP

Less than a month before the video dialtone decision, the Commission modified its cross-ownership rules to permit broadcast networks to own cable systems. The FCC adopted this rule in 1970 to protect the cable industry from network domination and promote a competitive marketplace for video programming. Things have changed since 1970 and the FCC decided that permitting some network ownership of cable systems would now work to increase competition within the industry.

The Commission established less restrictive limits on network/cable cross-ownership in areas where the network-owned system competes with another system. This step should encourage the development of second cable systems in more cities, a proven path to lower rates, and better service for consumers.

EFFECTIVE COMPETITION STANDARD

Last year, the FCC tightened the so-called effective competition standard that determines if local governments can regulate basic cable rates. The old standard exempted cable systems from regulation if their customers were served by three broadcast television signals. The new FCC rules allow regulation unless a cable system faces competition from six over-the-air broadcast stations or another multichannel provider that is available to 50 percent of the homes in the cable operator's market area and subscribed to by 10 percent of the market area's homes. Under this standard, nearly 61 percent of cable systems, serving 34 percent of cable viewers, do not face effective competition and are subject to rate regulation. I believe we should tighten this standard further and support an amendment in January that would allow regulation of basic rates for any system whose only competition comes from broadcast stations.

OTHER FCC PROCOMPETITION STEPS

Several other recent FCC decisions will also lead to increased competition in providing television programming to viewers. For example, the Commission has prohibited the cross-ownership of cable systems and wireless cable in the same market and licensed additional direct broadcast satellite systems. Both of these actions should promote the development of direct competition for cable.

The full impact of these changes on the video programming marketplace has not yet been felt. Importantly, we should also note that events in the private sector are changing the marketplace at an even swifter pace than we are seeing on the regulatory front.

OUTLOOK FOR COMPETITION

In a very real sense, both the House and Senate bills seek to solve yesterday's problems and do not take stock of the rapid changes underway in the video programming industry and further changes on the horizon. The FCC's recent steps in its ongoing efforts to promote competition have significantly changed circumstances in the industry and underscored the dramatic changes underway in the private sector. The television marketplace is evolving and increasingly competitive. Although competition will increase further without legislation, we can take some modest steps that will encourage still greater competition. But consumers will suffer if we overreact to past problems by establishing a framework that unduly restricts the ability of one segment of the industry to compete.

In some respects, the telephone and cable industries are on a collision course as the technologies they use converge. Fiber optics and signal compression technologies are rapidly expanding the capacity of both cable and telephone lines. Each industry is capable of offering the other's products, as well as interactive services and the whole range of information services that are now a focus of debate following Judge Greene's reluctant decision to permit the Regional Bell Operating Cos. into these new fields.

We cannot ignore this future in the cable debate, particularly in view of the FCC's recent video dialtone decision. Telephone companies are now able to move into the television industry; they are also now able to begin offering a wide range of information services. Little more than a year ago, both were off limits.

I have spent nearly two decades fighting to introduce greater competition into the telecommunications industry, in large part because I wanted to encourage innovation so that consumers could obtain new products and services. We should encourage competition in the new services that telephone companies are eager to offer. Competition will spur their development and help keep their costs to consumers under control. The industry most capable of providing that competition is cable. Video dialtone is a significant long-term step that will affect the cable industry's ability to compete in its own core business and in new fields. If we add to the mix legislation that unduly limits cable's ability to compete and invest in new products, services, and technology, we may seriously reduce competition throughout the telecommunications industry in the next century.

Although the key issues are rates and customer service, the legislation includes other provisions that will significantly change the shape of the television industry, future technologies, and the competitive framework of the telecommunications industry. Many of these provisions advance communications policies that could not stand on their own but have advanced under the guise of consumer protection. These provisions, and their eventual impact on consumers, deserve much closer attention from the Senate.

CONCLUSION

We should pass reasonable, balanced legislation to reregulate the cable industry. I do not object to increased regulation of basic cable rates and customer service. There have been some problems in these areas and we should protect consumers.

The legislation began as an attempt to address those legitimate consumer problems. Unfortunately, it has gone well beyond that scope. The conference report includes provisions that offer greater benefits to cable's competitors than they do to consumers. The result is a bill that is neither good communications policy nor good for consumers.

The conference report will lead to a transfer of income from consumers to broadcasters and other special interests. It will also greatly reduce cable's ability to invest in plant, programming, and technology. The legislation would thus choke off the development of new cable networks, the improvement of existing programming, the expansion of channel capacity, and the development of new technologies like fiber optics and HDTV.

We are seeing a more competitive video marketplace develop. The FCC has taken several steps to accelerate the trend toward greater competition that is underway in the private sector. Consumers will soon have ready access to video programming from several sources and technologies—fiber optic cable, satellite broadcasts, and traditional broadcasting.

We should enact some reasonable consumer protections while we are still in transition to a fully competitive market. But legislation that overreaches—such as the conference report—will reduce future competition by hamstringing cable's ability to compete. The consequences will be felt beyond the video marketplace as cable will be unable to invest and compete in the many new telecommunications products and services that are on the horizon.

The conference report looks to the past to solve today's problems, with no eye to the future. Enacting it into law will do consumers more harm than good. We should defeat it and instead craft legislation that tackles the rate and customer service issues head on. More reasonable, balanced legislation would truly protect consumers without unduly restricting the ability of the industry to continue to serve new areas, offer new programs, upgrade cable systems with fiber optics, and other new technologies, and invest in new telecommunications products and services.

I will oppose the conference report and urge my colleagues to do so as well.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, by consent of the senior Senator from Missouri, I yield myself 12 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GORTON. Mr. President, the Cable Television Consumer Protection and Competition Act of 1992 is worthy of support from all of the Members of this body. It is worthy of that support because it will protect consumers from the monopoly abuses which, during the course of the last several years, have sent cable television prices skyrocketing at a rate of approximately three times the rate of inflation.

It will protect those consumers in the classic way of encouraging competition where competition does not exist, and as long as competition does not exist, by restoring a modest degree of rate regulation to the Federal Communications Commission and to local communities.

The cable industry has spent millions of dollars launching what I would consider to be a massive misinformation campaign to confuse consumers and to cloud the issues because that industry recognizes that this bill is going to result in the one set of features which it most fears: Consumer choice, an end to the cable television monopoly and what every other unregulated business in America already faces, competition.

Mr. President, it is no accident, in the view of this Senator, that many Members of this body—who at one time or another served as attorney general of his State and as attorney general in charge of consumer protection—are strong and enthusiastic supporters of this proposal.

The distinguished senior Senator from Missouri [Mr. DANFORTH] comes from such a background. The distinguished junior Senator from Connecticut [Mr. LIEBERMAN] comes from that background. This Senator also comes from that background. Those in this body who have been in charge of consumer protection in their respective States know which side of this issue benefits the consumers, the users of cable television in the United States.

In addition, of course, Senator HOLLINGS, Senator INOUYE, Senator FORD, and many others on the Commerce Committee have worked hard and, I believe, successfully with respect to this legislation. They have made appropriate compromises in conference with the House of Representatives and their work deserves to be supported enthusiastically.

Let us take a brief look at what this bill will actually do in areas in which there is no competition—and that is almost every area in the United States.

This bill allows for rate regulation of basic cable service, defined as that tier of programming that the broadcast channels appear on as well as the equipment used for the provision of this service.

It also allows a customer or a local official to bring a complaint to the Federal Communications Commission that the next tier of programming is offered at an unreasonable rate. These provisions are considerably less regulatory than those in the original Senate bill and those bluntly which this Senator supported which would allow rate regulation of the lowest tier of programming to which at least 30 percent of subscribers engage.

Personally, I preferred that because there has already been retiering in order to avoid the potential reregulatory effects of this bill. In the interest of meeting the administration's desires, however, the conferees accepted this lessening of the regulatory burden. I am willing to settle for a less than perfect solution in order to move in the proper direction in this connection.

The conference report also includes the Senate's provision which requires cable systems to deal fairly with local broadcast stations. At the present time, cable systems pay for all of the programming they show except for what people watch the most: local broadcast stations.

Cable companies take these signals free. The conference report allows local stations to negotiate for retransmission consent or carriage. Many stations will negotiate for nonmonetary compensation like channel position or promotional considerations.

In my view, however, whatever the result of those negotiations, this provision will strengthen local television stations so that they can maintain their ability to provide news, sports, weather, other local programming, and network programming in competition with cable systems.

Cable companies say that this will be a costly provision, and this Senator disagrees.

First, the conference report specifically gives the Federal Communications Commission the authority to ensure that retransmission consent does not adversely affect subscribers' rates.

Second, this is the tier of programming subject to rate regulation in areas where there is no effective competition.

Third, the Consumer Federation of America has estimated that this bill may save consumers as much as $6 billion a year based on the 30-percent lower rates which consumers get in that handful of markets in which competition exists at the present time.

In my mind, however, perhaps the most important provisions of this bill are those that encourage competition. The Chairman of the Federal Communications Commission, Al Sikes, testified before the Commerce Committee that in order to foster competition, Congress should eliminate monopoly franchises.

This Senator worked with the FCC and with other Senators and offered a package of amendments during the Commerce Committee markup that will encourage competition during the franchising process. These provisions are included in the conference report and will encourage second and even third cable systems to compete against present monopolies. They encourage competition by forbidding franchise authorities from unreasonably refusing to grant a second franchise, by assuring that adequate time is given to the new franchisee to build a system, and by forbidding a cable system from offering differing prices within a franchise area in order to drive out competition where it exists only to later reraise their rates when their competitor is driven out of business.

I agreed with Chairman Sikes that these were important provisions because out of nearly 11,000 cable systems nationwide, only 53 are in direct competition with another franchise. The rates for these systems are 30 percent lower than in areas with only one franchise and on a perchannel basis are 50 percent lower.

Another important competitive provision which this Senate backed in the Senate bill and Congressman TAUZIN included in the House bill will force cable-affiliated programmers to make their programming available to competitors at reasonable rates. Satellite television viewers, predominantly in rural areas, have suffered far too long from artificially high rates. On the average, the price of programming provided to satellite distributors is four to five times greater in price than that provided on cable systems. This bill will end that practice.

Not only will this mean that rates will decrease for satellite dish subscribers but it will mean that with lower operating costs and with smaller dishes expected in the near future, dishes, as well as wireless technology, will become more competitive in areas already serviced by cable. The access to programming provisions, coupled with recent FCC decisions approving video dial tone, are critically important tools to promote competition. No wonder this is the single provision cable has fought the hardest. Once again, cable fears an end to its monopoly.

This bill also includes other important consumer protection provisions including directing the FCC to establish standards for responding to consumer calls, complaints about outages, bills, and refunds. It also includes a provision, which I authored at the time that the Senate passed the bill in

January, that will ensure customer's privacy regarding their bills. Presently, on some cable systems, anyone can access a customer's billing information if they know the customer's telephone number. This bill will ensure customer's privacy by requiring some other personal identification measure, such as a secret password or personal identification number, be given before billing information is released. I also sponsored another consumer protection provision accepted last January that was also included by conferees. This provision will prohibit the billing of customers for services or equipment that they have not affirmatively requested by name. I sponsored this provision because of the many complaints I heard from constituents regarding the marketing of the encore channel. In this instance, customers received a billing insert stating that they would be charged for this new programming unless they called the cable system to cancel it. This provision is meant to be applied more broadly than just to address programming. I am aware of other negative options used such as cable program guides, equipment, and shuffling of services which are also intended to be covered by this provision.

The cable industry has launched a full-fledged campaign to try to mislead the public into thinking that this bill will raise rates. Let's look at what Senator LIEBERMAN and I call cable's fables. First, the cable companies mailed a flyer to all their customers quoting a Department of Commerce study which they know was based substantially on the data they provided to the department. Next they quoted newspapers out of context to make it look like those papers oppose the bill when in fact newspapers such as the New York Times support the conference report. They have orchestrated call-in campaigns to Senators where they coached their customers on what to say. They have spent countless dollars churning out clever ads saying this bill is bad for consumers when the truth is that the largest consumer group in the country, the Consumer Federation of America strongly supports this bill.

Let's not be fooled by cable's fables. Read the bill for yourself. Look who is really for and against this bill and ask yourself who are you going to trust—Hollywood and cable industry, the only two opponents, or the consumer groups, labor organizations, seniors' groups, and our local officials.

I have worked for 4 long years to get to this point. I have done so because I have heard cable customers' complaints week after week, year after year. I have done so because I do not believe that it is right to let an unregulated monopoly continue untouchable and unchallenged. I come to the floor today to urge my colleagues to look beyond the surface of the cable association's rhetoric. Take a look at what this legislation will really do and then ask yourself if you are willing to continue to go along with the status quo or if it is time for a change. You know what the status quo means—rate increases that average three times the inflation rate and little chance for competitors to challenge the cable monolith. Change means two thing—minimal rate reregulation in the short term and a chance for other multichannel providers to get in and compete against the incumbent cable system. If you believe as I do, in the free market, in competition, then I urge you to vote for change and vote for the cable conference report.

In closing, Mr. President, as the distinguished Senator from Missouri has already said, it may very well be that a delay in this bill can allow the President either successfully to impose a veto or to pocket veto the bill. I strongly object to that approach. I believe that this bill is in the consumer interest, is in the competitive interest and, in a tradition which is more than 100 years old, looks askance at monopolies and causes monopolies to be subject, quite appropriately, to some kind of regulation.

Nevertheless, Mr. President, I am absolutely confident, as are my friends from Missouri and Hawaii, that should this bill not become law this year, it will be reintroduced in the next Congress. It will have a tremendous force of public opinion behind it and in fact, the cable companies may find themselves worse off as a result of legislation which has a moral certainty to pass during the course of the next year that it would if it had accepted this quite modest approach to a very serious problem.

We believe, I think all of us believe, in the virtues of a competitive market. This bill will help bring a competitive market to cable television. We believe, as I think all of us ought to believe, that monopolies are not desirable in a free enterprise society. Cable television is a monopoly. Regulation is not as good as competition, but regulation is essential in connection with a monopoly of this nature.

So now or later, Mr. President, a bill like this or a bill tougher than this is going to become the law of the United States. Let us do it right and let us do it now.

The PRESIDING OFFICER. Who yields time?

Mr. BURNS. Mr. President, I yield 10 minutes to my friend from Idaho, Senator SYMMS.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I thank the distinguished Senator from Montana.

Mr. President, I rise to oppose this conference report that is before us today. I might note that last week in the other body they voted 280 to 128 to approve the cable bill conference report which we are considering today. I was sorry, I might add, to note that my two colleagues from Idaho voted with the majority in support of this legislation because in my view this is the wrong answer to the complaints we have heard from our constituents, particularly from those in rural America. In my view, this bill's enactment will hurt the growth in information resources we have come to know and appreciate in recent years.

Mr. President, if you like Government—and I guess I should not have been surprised by that vote in the House, because if you like Government and you like replacing the marketplace with Government rules and regulations and mandates and edicts, then you will love this bill. But if you do believe in the importance of what has happened since cable deregulation came into effect in terms of capital being infused into it, jobs created, all kinds of informational services provided for people, I think you should vote against this conference report.

Fortunately, my rural constituents in Idaho may not have to face the higher prices and reduced information in entertainment programming this bill would mean for them. On September 17, President Bush wrote the House Republican leader indicating unequivocally that he will veto this bill, and I wholeheartedly share the President's view about the ill effects of S. 12 that will have on the communications industry.

I ask unanimous consent that a copy of the President's letter to Congressman MICHEL be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMMS. Mr. President, this conference report is the direct, albeit misguided, result of years of unprecedented growth in a very important segment of the communications industry, namely cable television. In 1984, under the leadership of Senator Goldwater, Congress enacted the Cable Communications Policy Act and largely deregulated the cable industry. The 1984 act was intended to encourage growth in cable TV and provide a greater diversity of information resources to the public. And what a tremendous success it has been. Just take a look at your own cable TV program menu and see all the new channels that are available for people—cultural, sporting events, historical programming—that were not available prior to the deregulation.

Since 1984, the number of cable subscribers has grown from 37 million to over 55 million today.

Multichannel video service is now available to about 90 percent of American households compared to 70 percent prior to 1984, and over 90 percent of the cable subscribers today receive at least 30 channels compared with less than 60

percent prior to 1984. In addition, the cable industry has tripled annual spending on programming and substantially increased spending to expand channel capacity.

Now, unfortunately, this rapid growth has not happened without some problems. A lot of my constituents from Idaho have called my office, consumers across the country have complained about the extraordinary rate of increases, poor service, or the fact that cable is just not available to them in some lightly populated areas. These legitimate complaints have given rise to various proposals to reregulate cable TV and ultimately have resulted in the legislation that is now before us.

I know that a lot of my colleagues have worked very hard on this legislation. I respect them for that. It is just that I think at some point in time we need to leave the situation alone and let it continue to grow and not tamper with it, and I think in 3 or 4 years this will look much better to most people.

Technically, though, in my view Congress again is taking the wrong approach. S. 12 will impose on the cable industry a heavy new system of Government control regulating everything from office hours and other customer service standards to programming rates, program selection, and the type of distribution used to deliver the program to the customer's home. It would be hard to conceive of legislation that is more of a throwback to the bad old days of well-intentioned, heavy-handed Government regulating the private sector right into the "economic malaise" that ended the Carter administration.

S. 12 is the dream scheme, Mr. President—it is the dream scheme—for those who believe in the virtues of big Government and bureaucratic redtape.

Let me give you some examples why I say that. First off, nearly every cable system in the country will have the rate for its basic program package regulated by a local government with oversight by the Federal Communications Commission. Cable subscribers will be allowed to challenge the price of programming not included in the basic package, and the FCC would have to judge whether the price is, in fact, reasonable.

What this boils down to is pure and simple price fixing. We have had plenty of experience in this country with Government regulation of private-sector goods and services, all of it working to the long-term detriment of consumers and the economy. I am shocked, frankly, that so many Members seem to be willing to vote for this bill and put their faith again in a tried and failed economic theory of Government intervention, Government planning, Government price fixing—bureaucratese to make the decisions instead of the consumers.

There is no household in America that is forced to take cable TV. They can always cancel it.

Price fixing is just the beginning with this bill, however, Mr. President. The FCC is required to establish customer service standards regulating such things as office hours, the number of times the phone can ring before it is answered, the timeliness of service calls, and the like. Also, certain cable programming companies will be required to make their programming, that is, their private property, available to any and all qualified distributors at the same price, terms, and conditions as are offered to cable operators.

In other words, the law would prescribe who these companies can sign a contract with, and what the terms will be. I cannot believe that is really what this Senate wants to do. I praise the President for being willing to veto this piece of legislation based on that very fundamental, sound principle. If you love government, you are for this bill; if you want less government, and you have faith in the people, be against the bill.

Also, there is a feature called retransmission consent, under which broadcast stations will be given the option to either require payment from the cable company for reset of their broadcast signal, or require the cable company to carry their signal for free.

I am sympathetic to the broadcasters' complaint that the cable companies are carrying their signal for free, and they have no recourse under current law. They have my sympathy on that.

If we were talking about just allowing broadcasters to demand payment or prohibit its carriage by a local cable operator, I might be supportive of this provision. I probably would be wholly supportive of it. Unfortunately, that is not the case.

The addition of the must-carry requirement for these broadcast channels that are not important to the cable operators' customer base completely skews the market in favor of the broadcasters. And undoubtedly it will cost the cable subscribers money.

Mr. President, instead of working to the benefit of the cable subscribers, the new regulations and price controls—I reemphasize price controls—in S. 12 will stifle the cable industry's ability to develop, to invest in new technologies and programming. And new technology like fiber optics, fiber optic cables, and digital equipment is precisely what is necessary and what is needed to reduce the capital costs so that cable TV will be affordable and available in rural areas of my State and other States.

Competition in television programming and distribution is the right solution to the problems in the cable industry. Competition exists and is growing. Wireless cable systems, home antennas receiving satellite signals and over-the-air network broadcasts are real and active competitors in the television markets across the country. All we have to do is let technology and the marketplace work, and get the Government out of the way, and this problem is going to take care of itself in a very short time. And it is rapidly moving in that direction.

In addition, technological advances already in the development stage may revolutionize the way Americans receive video, entertainment, and informational services. And the new technology will engender even greater market competition in the video industry.

Mr. President, freedom works. The free market competition is the right way to go. S. 12, in my view, is exactly the wrong direction.

I encourage my colleagues to vote no on this conference report, and support the position the President has taken.

Mr. President, I yield the floor.

EXHIBIT 1

THE WHITE HOUSE,
Washington, September 17, 1992.

Hon. ROBERT H. MICHEL,
Republican Leader, House of Representatives, Washington, DC.

DEAR CONGRESSMAN MICHEL: I am writing to express my strong opposition to the Conference Report to accompany S. 12 (Cable Television Consumer Protection and Competition Act of 1992), which the House and Senate will consider in the next several days.

This legislation will hurt Americans by imposing a wide array of costly, burdensome, and unnecessary requirements on the cable industry and the government agencies that regulate it. The heavy-handed provisions of the bill will drive up cable industry costs, resulting in higher consumer rates, not rate reductions as promised by the supporters of the bill.

The bill will also restrain continued innovation in the industry, cost the economy jobs, reduce consumer programming choices, and retard the deployment of growth-oriented investments critical to the future of our Nation's communications infrastructure.

My vision for the future of the communications industry is based on the principles of greater competition, entrepreneurship, and less economic regulation. This legislation fails each of these tests and is illustrative of the Congressional mandates and excessive regulations that drag our economy down.

Congress would best serve consumer welfare by promoting vigorous competition, not massive re-regulation.

For these reasons I will veto S. 12 if it is presented to me, and I urge its rejection when the House and Senate consider the Conference Report.

Sincerely,

GEORGE BUSH.

The PRESIDING OFFICER. Who yields time?

Mr. BURNS. Mr. President, I yield 5 minutes to the distinguished Senator from Colorado [Mr. BROWN].

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Thank you, Mr. President.

Mr. President, I rise with a note of regret to raise a concern about the conference report.

I first want to delineate several provisions in this measure that I think are

excellent. If the measure were limited to these or perhaps a few others, I think they would have a very positive impact for consumers and for competition, and I would rise in support of this report.

The report has a very good provision, in my view, in repealing or at least limiting the authority of cites to award exclusive franchises. To the extent that existing law gives municipalities and other entities the ability to award exclusive franchises, that is wrong because it eliminates competition. This report moves in the right direction by encouraging the award of multiple franchises.

While there are exceptions, and it is not as clean and as strong as I would like, it does take a step toward competition in that area. I must tell you, frankly, that I think it Congress had had the wisdom in past years to not allow exclusive franchises we would not find the clamor for legislation that we find today. So, in that area, this measure is a step forward.

Mr. President, I also strongly support the must-carry provisions. I think they are essential in small markets, where a lack of access to the cable TV system can effectively eliminate a local broadcaster from competing in that market. My guideline for supporting these improvements is simple. They promote competition. The market does work and will work. It can work.

However, the problems we face today with cable stem from government interference; not a lack of regulation, but the wrong kind of regulation.

Inasmuch as this bill moves forward in eliminating some of those bad provisions, I think it is a plus and merits consideration.

But I reluctantly come to the conclusion that this measure should not pass, in spite of some of its good provisions. I want to share just a couple of them that I think are important.

One, it has been suggested that this measure will lower costs for the consumer. Mr. President, Lawrence Tisch, chairman and CEO of CBS, surely knows what he is talking about in this area. He said the retransmission provision of the proposed legislation could add $800 million to $1 billion a year in increased costs.

That is not a cut in the cost to the consumers; that is an increase. And that is not a small increase; it is a huge increase.

Some very distinguished colleagues in this Chamber have said: Do not worry about that; the bill also contains language that will prevent this increase in costs to the cable industry from increasing the rates to consumers. Mr. President, let us not kid ourselves. Whether you are for this bill or you are against this bill, you cannot add $1 billion to the cost of the industry and not have it passed on to the consumers.

Could you have good intentions? Would you wish it not be passed on? Absolutely; I would grant that to the advocates of this bill. But to come to the American people and tell then you are going to add $1 billion to the cost of the cable system, but that it is not going to get passed on to those who pay the bill, involves a great deal of imagination. It involves a great deal of creativity and rhetoric. But is not accurate.

Mr. President, to suggest that this bill is going to reduce costs for consumers because you have regulation says a lot about the kind of regulation that you are going to have. The bill is not terribly specific on the guidelines that are set up. But presumably you would allow a return on investment that is at least equivalent to what public utilities get paid on their investment.

If this is the standard—if you say cable companies ought to have at least a return on their investment that is equivalent to what public utilities get, if that is the standard that is going to be used, history suggests that cable prices will rise, not fall.

As a matter of fact, Mr. President, it is quite clear that if you take the cable industry as a whole, they have not enjoyed a return on investment that is equivalent to what public utilities have received. What is the impact of that? The impact is simply this: To claim you are going to have a reduction in rates when they do not even get a rate of return that is as high as regulated public utilities means the regulation will justify higher rates, not lower rates.

Let us not kid the American people. This bill is not going to reduce rates.

This bill is going to increase rates. And that is not idle speculation. If you are going to add $1 billion in costs a year, you are going to have higher rates, not lower rates. Anybody who thinks this is a consumer bill has not read it as closely as they might.

Mr. President, there is one last aspect I would like to comment on, because I think it deals with the very philosophy that underspins this measure. Some men and women who sincerely believe that Government regulation is a way to help consumers are strong advocates of this bill. I say to them that is an honest difference of opinion, but I would ask them, before they cast their vote on this issue, to look at the history. Did Government regulation of the oil industry lower costs? The defenders of the legislation argued that this was the case. However, the reality was that costs came down when they eliminated the regulations, not up.

What about the gas industry? Members of this Chamber will remember the hot debate that took place right on this floor when the Reagan administration proposed eliminating the regulations on the natural gas industry. The forecast made on this floor was that prices would skyrocket. Instead, they fell; not up, but down.

In trucking, relaxed rate regulations caused the rates to go down, not up. When airlines were deregulated, some rates went up, but the majority of rates went down and, overall, rates went down dramatically.

Some people think that the answer to medical care is more regulation. They have overlooked the fact that under Medicare and Medicaid, part of the reason for the dramatic increase in cost of health care has been the result of Government regulation, not the absence of it.

You see, Mr. President, the contention that Government regulation is the key to providing lower costs simply does not track with the facts.

Mr. President, I hope this body will not make a mistake if we care about the consumers and their interests. What we need is a bill that increases competitiveness, not regulations. Unfortunately, this bill is pro-regulation and anticonsumer. It should be defeated so that we can do the job right next year.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. BURNS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum, the time to be divided equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak out of order.

The PRESIDING OFFICER. Is there objection?

Without objection, the Senator is recognized out of order.

JUDGE SPORKIN'S RULING IN THE HASTINGS' CASE

Mr. BYRD. Mr. President, last Thursday, U.S. District Judge for the District of Columbia, Stanley Sporkin, entered a ruling which purported to vacate the judgment of the U.S. Senate in October 1989 removing from judicial office former District Judge Alcee Hast-

ings. Mr. Hastings' removal from office was the constitutional consequence of the determination by more than two-thirds of the Members of the Senate present and voting that Mr. Hastings had conspired to sell his office for a bribe and then repeatedly lied at his criminal trial.

Judge Sporkin's ruling will be promptly appealed, and the errors of his ruling will be described more fully in papers that will be filed in the U.S. Court of Appeals for the District of Columbia Circuit. I would like to address several brief remarks to my colleagues about Judge Sporkin's unprecedented ruling.

First, Judge Sporkin's ruling flouts the direct ruling of his appellate court, the U.S. Court of Appeals for the District of Columbia Circuit, in a case brought by former Judge Walter Nixon. Like Mr. Hastings, Mr. Nixon has asserted that the Federal courts have the power to review the Senate's performance of its constitutional responsibilities, and that the use of a trial committee to receive and report evidence to the Senate is unconstitutional. In a ruling entered in July 1991, two judges of the three-member panel of the court of appeals held that the Federal courts have no power in this matter. A third judge concluded that the courts could review this matter, but on the merits held that the Senate had proceeded in a constitutional manner.

The Supreme Court has agreed to review the judgment of the court of appeals, marking the first time in our Nation's history that our High Court will be interpreting the impeachment powers under the Constitution. Indeed, the Nixon case will be argued only a few weeks from now on October 14. The Senate and the executive branch are in complete accord before the courts in these impeachment cases, and the Solicitor General will be arguing in support of the judgment of the court of appeals in Nixon's case.

Judge Sporkin might have decided wisely to wait for the Supreme Court's ruling in the Nixon case but, if he were to act, as he apparently felt impelled to do, he was clearly bound by the applicable ruling of the court of appeals in Mr. Nixon's case. Although Judge Sporkin makes some effort to distinguish the two cases, any fair reading of the appellate decision in Mr. Nixon's case shows that it absolutely precludes Mr. Hastings' suit. Also, it is absolutely elemental that the mere decision by the Supreme Court to hear a case on certiorari does not vitiate the judgment of the court below. Until judgment in the Supreme Court, the decision of the appellate court remains binding within its jurisdiction.

The need to honor the rule of law applies as much to judges as to anyone else. Unless district courts heed their courts of appeals, and unless the courts of appeals heed the Supreme Court, all would be chaos.

On the issues that are in litigation, both are of great importance to the Senate. The Constitution vests in the Senate the sole power to try impeachments. Certainly, impeachment is an awesome power, and for that reason the Framers divided it between the House and the Senate—the Senate only tries an impeachment after the House has accused an official in articles of impeachment—and an extraordinary majority of two-thirds is required to convict in the Senate. Because it is the sole means under the Constitution of removing from office a corrupt Federal judge, the Framers gave to the judiciary no power to revise the solemn judgments of the Senate in impeachments. Of course, as with any final power under our Constitution, there is enormous responsibility. As each of my colleagues knows, our deliberations during the three impeachment trials in the last several years have been marked with great seriousness of purpose, and with an appreciation of the responsibility which the power of final judgment gives to us as Senators.

On the use of a committee to receive and report evidence, I have no doubt but that it is within our power to establish rules for the Senate's proceedings. The Constitution gives the Senate that power. Impeachment rule XI was carefully drafted, and has been carefully employed. We do not delegate the power to decide an impeachment to a committee. Rather, we delegate only the power to receive and report evidence to the Senate.

Moreover, Senators retain under the rule the power to call some or all witnesses before the full Senate. Because the ultimate power to determine if witnesses should be heard in the well of the Senate belongs to the full Senate, we wanted to be absolutely certain, when the Senate met on October 18, 1989, to hear final arguments in Mr. Hastings' case, whether Mr. Hastings then wished the Senate to invoke its power under the rule to have witnesses called before the full Senate.

I will now quote the majority leader's inquiry to me while presiding over the Senate during the impeachment floor proceedings:

Mr. MITCHELL. Mr. President, rule XI provides that the Senate's receipt of evidence reported by the committee is subject to the Senate's right to determine competency, relevancy and materiality. Further, rule XI explicitly provides that nothing in it prevents the Senate from sending for any witness and hearing that witness' testimony in open Senate, or by order of the Senate having the entire trial before the full Senate.

The majority leader then asked:

Will the Presiding Officer advise the Senate whether, following the report of the committee, any motions have been filed by the parties to the impeachment asking that any witnesses be heard in open Senate?

As Mr. Hastings has filed no such motion, I responded to the Senate, in the presence of Mr. Hastings and his counsel, as follows:

The PRESIDENT pro tempore. In response to the majority leader, neither party, following the report of the committee, has moved that any witness be called in open Senate and the Senate may now proceed to hear final arguments on the basis of the record reported by its committee.

Vol. 135 CONGRESSIONAL RECORD, S13617 (daily edition, October 18, 1989).

Thus, at the critical moment in the Senate's floor proceedings, Mr. Hastings offered no objection to proceeding to final argument on the basis of the record reported by the impeachment trial committee.

I have been advised that this basic point was brought to the attention of Judge Sporkin, but his opinion in no way acknowledges this.

It is my firm conviction that the Senate performed its great responsibilities in both the Hastings and Nixon impeachments with great fidelity to the Constitution, and that the Senate's judgments in these matters merit the respect which I am sure that the Supreme Court, speaking finally for our coordinate judicial branch, will accord to those judgments.

Mr. President, I yield the floor.

CABLE TELEVISION CONSUMER PROTECTION AND COMPETITION ACT OF 1992—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM addressed the Chair.

Mr. DANFORTH. Mr. President, may I ask how much time remains for the proponents of the conference report?

The PRESIDING OFFICER. The proponents control 14 minutes; the opponents control 6 minutes.

Mr. METZENBAUM. I ask the Senator from Missouri if he would yield 10 minutes to the Senator from Ohio to speak in support of the bill?

Mr. DANFORTH. Yes; I yield 10 minutes.

The PRESIDING OFFICER. The Senator from Ohio [Mr. METZENBAUM] is recognized for 10 minutes.

Mr. METZENBAUM. Mr. President, I rise in support of the conference report on S. 12, the Cable Television Consumer Protection and Competition Act.

When Congress deregulated the cable industry in 1984, we made a terrible mistake. The 1984 Cable Act was premised on the absurd idea that deregulating local monopolies would lead to lower prices and more competition.

We did so in part because the municipalities of the country came to us and urged us to take away from them the right to regulate cable rates. They were wrong in making the suggestion and we were wrong in accepting their

recommendation. The results have been just the opposite: Higher rates, poor customer service, and a strengthening of cable's monopoly power.

This conference report gives the Senate a chance to begin correcting the mistake we made in 1984. The cable industry has been fleecing consumers ever since deregulation took effect 5 years ago. The cable monopolies have grown fat and rich while adopting an arrogant, take-it-or-leave-it attitude toward their customers.

Call any cable company in this country and if you get courteous and cooperative service, you must live in some community that I do not live in because I have cable in three different areas in which I live and you do not get any cooperation whatsoever.

Cable prices have been hiked at a clip which triples the rate of inflation. The Consumer Federation of America estimates that cable consumers are being overcharged by as much as $6 billion annually. An economist for the Department of Justice found that up to 50 percent of cable's revenues represent unfair monopoly profits.

When you cast your vote tomorrow, keep in mind that 99 percent of all Americans have no opportunity to choose among competing cable systems. Think about the millions of Americans living in small towns and rural areas who must subscribe to cable in order to get decent television reception. Think about the many elderly citizens who are confined to their homes and depend upon cable television as their sole source of news and entertainment. And keep in mind the millions of Americans whose rates have risen over 100 percent since we gave the cable monopolies a free hand to raise prices.

The conference report will provide those Americans with some protection against the rate hikes and price-gouging inflicted upon them by the cable monopolies. The bill will promote competition, set tougher customer service standards, and authorize regulation of basic rates in areas where consumers do not have a choice of competing cable program providers.

There are some who say this bill goes too far—that it is too tough on the cable industry. I do not believe this bill goes far enough. The record shows clearly that cable has abused its monopoly power by overcharging consumers and stifling competition. I believe this conference report should have stronger protections for consumers. The conference report is weaker than the version of S. 12 which passed the Senate by a 73-to-18 margin in January. It is weaker than the cable bill originally introduced last Congress by Senators DANFORTH, INOUYE, and HOLLINGS. And it is weaker than cable legislation which I have introduced.

But while this conference report is not as strong as it should be, it is a definite improvement over the status quo. If you want the cable industry to stop overcharging consumers and raising rates at will, then you should support this conference report. If you want cable companies to start providing their customers with decent service, then you should support this conference report. And if you believe that Congress should encourage and promote competition in cable, then you should support this conference report.

This is a reasonable bill which has broad, bipartisan support. The cable industry is howling about this conference report precisely because it will curb their monopoly power. That is why the industry has launched a deceptive propaganda campaign which distorts the truth about this legislation.

I vented my views on that subject some days ago. Here is a situation where the cable industry is trying to mislead the American people into thinking that a bill that is actually good for them is going to hurt them and is using the dollars that they have milked from the people of this country to buy television ads, urging the American consumer to prevail upon their Senators to vote no when really the proconsumer vote is a vote "yes."

Indeed, the cable industry's effort to mislead the public and intimidate the Congress is matched only by one other organization I know—the National Rifle Association. The cable industry has bombarded its customers with ads and fliers which make widely exaggerated claims about S. 12. Mailings sent out by phony consumer groups in two States were actually paid for by the National Cable Television Association. Studies financed by the cable industry to support its false claims about S. 12 are fundamentally flawed and factually inaccurate according to the Consumer Federation of America. Tom Shales, the television critic for the Washington Post, summed up the cable industry's propaganda blitz as a big, fat lie.

One lobbying tactic employed by some cable companies deserves special mention, because it is so outrageous. According to the Washington Post, one cable company phoned its subscribers at home, made misleading claims about S. 12 and then transferred those subscribers to answering machines in Senate offices, hoping that the subscribers would repeat industry distortions about the bill. Incredibly, cable company officials remained on the telephone and monitored the calls to make sure that subscribers provided the industry line on S. 12. One subscriber who did not properly repeat the industry's distortions about the bill, was immediately corrected over the phone by a cable official. Other subscribers were reportedly cut off from their calls by cable officials as soon as they provided the industry line on the legislation.

Mr. President, the cable industry has abused the truth in the same manner in which it has abused its monopoly power. And the consumers of this country are looking to us to protect them against further abuses by these unregulated monopolies. This conference report is our chance to provide a step, a major step in that direction.

I was very disturbed to learn that President Bush has signaled his intention to veto this conference report. The President is either misinformed about the cable industry or is badly out of touch with the concerns of the millions of Americans who subscribe to Cable. If the President vetoes this bill, cable subscribers will remain at the mercy of an unregulated monopoly. A veto by the President will show that he does not care about protecting consumers from billions of dollars in overcharges inflicted on them by the cable monopolies. In short, a veto by the President will show that he is more interested in protecting the power of a monopoly than he is in protecting the pocketbooks of consumers.

I sincerely hope that the President will reconsider his position on this bill. We cannot allow price gouging by the cable industry to continue. We cannot allow monopoly abuses to go unchecked. And we cannot allow the cable industry's outrageous propaganda campaign to succeed.

I urge my colleagues to support this conference report.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EFFECTIVE COMPETITION

Mr. LIEBERMAN. Mr. President, I want to clarify a question that has arisen regarding the intent of the conference regarding the definition of "effective competition." S. 12, as passed by the Senate, provided that effective competition would be presumed whenever the franchise area is served by two or more unaffiliated multichannel video programming distributors offering comparable video programming to a majority of the households in each franchise area, and multichannel video programming distributors other than the cable company and its affiliates actually serve 15 percent of the households in the franchising area. Is that correct?

Mr. INOUYE. Yes, that is what was provided in section 5 of the Senate-passed version of S. 12, as it amended 623(d)(2) of the Communications Act. The House-passed version of S. 12 also included similar language that was intended to reach the same result.

Mr. LIEBERMAN. My question is as follows: Is it the understanding of the

conferees, in adopting the House-passed definition of "effective competition," that it reach the same result as the Senate language, that is, in calculating whether multichannel video providers other than the largest multichannel video programming distributor actually serve 15 percent of the households in the franchising area, only the number of households subscribing to multichannel video providers unaffiliated with the largest multichannel video programming distributor should be counted?

Mr. INOUYE. Yes, that is our understanding of intent of the House when it passed its version of S. 12, and that is certainly the understanding and intent of the conference committee. This is most clear in the Joint Explanatory Statement of the committee of conference, in which we describe the House provision. We stated that the House bill defined "effective competition" to mean the "franchise area is served by at least two unaffiliated multichannel video programming distributors offering comparable video programming to at least 50 percent of the households in the franchise area, and at least 15 percent of the households in the franchise area subscribe to the smaller of these two systems." And the Senate, in its version, certainly intended that only subscribers of multichannel video programming distributors not affiliated with the largest multichannel provider be counted in determining whether the 15-percent threshold is met. This clearly reflects our understanding of the intent of the House provision, the intent of the Senate, and the conference's understanding of the definition of "effective competition" contained in section 3 of the conference report, as it amends section 623(l)(1)(B) of the Communications Act of 1934, that is that only subscribers of multichannel providers not affiliated with the largest provider be tallied.

Mr. LIEBERMAN. So let me make this concrete by example. Say that a cable operator actually provides service to 80 percent of the households in a franchise area, and that an unaffiliated DBS provider is capable of providing comparable service to the entire franchise area and actually provides service to 10 percent of the households in the franchise area. Assume further that another DBS system that is affiliated with the cable operator provides some service to another 10 percent of the households. I believe that in this situation, no effective competition exists under this test, since the number of households actually served by a multichannel video programming distributor other than the cable company and its affiliated DBS provider is only 10 percent. Is this correct?

Mr. INOUYE. The Senator was correct. Since the number of subscribers served by multichannel video programming distributors other than the cable company and its affiliated DBS company do not exceed 15 percent of the households in the franchise area, the test for effective competition in section 623(l)(1)(B) is not met.

Mr. HOLLINGS. Mr. President, I rise in strong support of the conference report on the Cable Television Consumer Protection and Competition Act of 1992. In this bipartisan bill, Congress is responding to the problems of consumers and the market. I have received thousands of consumer complaints from Americans all across the country concerning the cable industry, and I know my colleagues have received the same. In South Carolina, I have heard complaints from mayors and individual consumers about their cable rates and service. Skyrocketing rates, service outages, anticompetitive abuse, and other monopoly practices have generated an overwhelming public outcry for legislation to address these problems.

S. 12 is a carefully balanced effort to rein in the excesses of the cable industry without blocking further growth and technological innovation. We could have passed a tougher bill. Consumers will say that we could have regulated all cable services across the board. Competitors will say that we should have broken up the cable monopoly. But we have not taken a radical course. The bill that has emerged from our negotiations with the House is carefully tailored to address the most egregious cable practices—unreasonable rates, poor customer service, unfair marketplace advantages.

The cable industry deserves a lot of credit. I am continually impressed by its progress and achievements. Who would have thought a decade ago that over half of the American public would be willing to pay to watch television? After all, we had the best television in the world, and we could receive it for free. Yet, it is clear that the public sees something special in cable television—over 60 percent of American homes now subscribe to cable, and people are willing to pay a significant amount to receive it.

This tremendous growth in the cable industry has been valuable. Most cable subscribers have access to 36 channels, and this amount is steadily increasing. Many systems already offer twice as many channels as before the enactment of the Cable Communications Policy Act of 1984, the 1984 act. This increase in capacity has been accompanied by a great increase in the programming that is offered. And more is on the horizon.

This growth also has produced significant problems, however, and these problems cannot go unnoticed. Cable is no longer an optional luxury; it has become an integral part of the communications network and will become even more integrated in the future as information and entertainment programming are transmitted via fiber optic cables. In recent years, the cable industry has taken advantage of this privileged position as the sole distributor of America's programming. The Commerce Committee has been presented with mountains of evidence of unreasonable rate increases, customer service problems, and various anticompetitive market practices. I know that certain of these problems are the result of bad actors, but nonetheless, we cannot ignore these problems.

The cable industry is no longer a second-class video distributor that only retransmits broadcast programming. It now serves more than half of American homes, and that amount is increasing. Furthermore, it has de facto exclusive franchises. It appears well on its way to becoming the dominant video distributor, and we must be attentive to the problems that monopolies create.

For instance, in my own State of South Carolina, there is a situation involving two communities next door to one another, served by the same cable company, where the citizens of one community are paying more for much less service than those in the other community. In Greer, SC, Cencom Cable provides 36 channels of programming for $23.95, while in Mauldin, SC, customers pay $25.95 for only 21 channels of programming. This problem is not limited to one community. A recent constituent, who in the last 3 years has lived in two different communities in the Myrtle Beach area, informed me that in one community she was charged $15 per month for 45 channels, and in another nearby community she was charged $20 per month for 14 channels. She has a right to be outraged and frustrated. Everyone is frustrated, but there is little that the local authorities can do about these discriminatory practices once the franchises are awarded. We must ensure that these examples of abuse can be corrected.

When the cable debate first began 4 years ago, I was skeptical of the need for new legislation. The 1984 act seemed to have succeeded in achieving many of its goals. However, I have become convinced that there is a need to adjust the environment in which cable operates. S. 12 responds to the legitimate needs of consumers for lower and more reasonable rates, better customer service, and the need for greater competition. S. 12 does not overturn the 1984 act; it is a reasonable bill intended to address legitimate concerns about the provision of cable service.

Last Congress, under the leadership of Senator INOUYE, the chairman of the Communications Subcommittee, the Commerce Committee began to examine what should be done to address abuses by the cable industry and the concerns raised by consumers. The committee carefully and deliberately compiled an extensive record through

13 days of hearings and numerous meetings. The committee then drafted legislation that represented a true consensus of the committee's members. In fact, that legislation was reported by the committee by a vote of 18 to 1. Senator DANFORTH introduced a similar bill again in January 1991, on the first day that bills were allowed to be introduced in the 102d Congress. Under the leadership of Senator INOUYE, this bill moved through the committee in impressive fashion by a vote of 16 to 3.

When S. 12 came before the full Senate for a vote earlier this year, it passed by an overwhelming vote of 73 to 18. The House vote on this bill was similar—the bill passed by a vote of 340 to 73. These strong votes occurred despite the strong opposition of the cable industry, because consumers and competitors were outraged at the practices of their cable companies.

The cable industry claims that consumers are no longer complaining of poor service and high rates. However, everywhere I travel in South Carolina, I hear complaints about cable's treatment of its customers, complaints that the cable industry is concerned about payment first and the customer last. In 1990 alone, cable rates across the country rose an average of 13.1 percent, more than twice the rate of inflation.

Let me give you some examples: In Bennettsville, the cable operator charged $7 for basic cable in 1986; in 1991 it charged $16.95, an increase of 142 percent for a similar service. In Charleston, cable rates were $10.45 for 35 channels; in 1992, the charge is $22 for 29 channels, an increase of 111 percent to receive fewer channels. In Spartanburg, customers were charged $12.93 for 30 channels in 1986; in 1991 they are charged $27.45 for the same number of channels, an increase of 112 percent.

Last year, in response to congressional action on cable legislation, the cable industry instituted voluntary customer service standards. Voluntary standards are nice, but they are only voluntary and cannot be relied upon to protect the consumer. So far these standards do not seem to be working. One of my constituents wrote to tell me that he notified the cable company that he wanted to terminate his service because of the constant rate increases. The company did not respond for 6 months. He finally cut the cable himself because he was afraid that he would be charged with stealing the cable operator's programming. So much for voluntary service standards.

S. 12 requires that the FCC adopt minimum customer service standards that will apply to all cable operators. The need for such standards is further evidenced by the activities of one cable operator in signing up customers for a new service, the infamous Encore channel, without their knowledge, and then simply sending a bill to the customers for the service they did not order in the first place. This kind of behavior cries out for correction.

It has been argued that S. 12 will allow cities to micromanage cable marketing and practices. This is not valid. S. 12 requires the FCC to adopt national standards for regulation of basic cable rates and permits the cities to regulate basic rates only within the national guidelines. Moreover, the conference report permits the FCC, but not the cities, to regulate rates for tiers of programming other than the basic tier only if a complaint is filed that shows that a rate for that upper tier is unreasonable. Moreover, there is no regulation of programming services offered on a per channel basis, such as HBO and Showtime.

Turning to the access to programming provisions of this legislation, the conference report on S. 12 includes a number of measures designed to ensure that certain cable programmers do not discriminate in their offering of programming. While the conference report includes much of the language included in the House bill, the effect of these provisions is almost identical to the provisions contained in the bill that passed the Senate. I must say that I had some reservations about these provisions. I recognize that cable operators created many of the program services that are available today when no one else would. However, I also recognize that there are times when steps must be taken to help promote competition in the marketplace.

For example, in the late 1950's, cable operators were given the right to carry broadcast stations for free, in part, to help stimulate competition to broadcast stations. In the 1970's, in another attempt to stimulate competition, the FCC adopted the financial interest and syndication rules, which limit the ability of the networks to own and control programming. In the 1990's, we find that competition to cable is stifled by the inability of competitors to obtain programming. Two communities in South Carolina have recently faced this very problem. In those communities, Orangeburg and Bennettsville, the existing cable operators have entered into exclusive agreements with certain program services, and, as a result, the competing cable operators cannot get access to those services. This and similar behavior frustrates the development of competition, necessitating the access to programming provisions in S. 12.

The most ironic aspect of the cable industry's opposition to this legislation is that many of the provisions in this legislation are the result of the Commerce Committee's discussions with the cable industry last Congress when we were considering S. 1880. In fact, S. 12 contains many of the provisions that the cable industry agreed with only 3 years ago.

But the cable industry walked away from the agreement we had reached. We offered to sit down several times with the cable industry to attempt to work out our differences, but the cable industry refused.

Now we find that the cable industry is pulling out all the stops to oppose this legislation. The tactics being used to try to thwart this legislation demonstrate cable operators' desperation. The cable industry is running fraudulent advertisements trying to convince consumers that S. 12 will raise their cable rates when the bill is designed to control the rise in cable rates. There is evidence that the cable industry has sponsored a service that allows consumers to talk directly to their representatives in Congress, but that if the conversation starts to go in a direction the cable industry does not like, it cuts off the connection. We have been told that some cable representatives have even been calling senior citizens in their homes trying to convince them to oppose the cable bill.

Now the Motion Picture Association of America has weighed in. Many of the movie studios themselves have ownership interests in the cable industry; some of them own cable programming, and some of them are affiliated with cable operators. So it is no surprise that the MPAA would be trying to scuttle this bill.

However, the motion picture studios' arguments are without merit. The motion picture studios want to repeal the cable compulsory license. That is a real issue and perhaps one that Congress should address. But this issue has nothing to do with the cable bill. Retransmission consent concerns the relationship between broadcasters and the cable industry. The cable compulsory license concerns the relationship between the programming copyright owners—the motion picture studios—and the cable industry. There is no logical or legislative nexus between the two, yet the MPAA is trying to claim that the bill should be broadened to include that matter. There is nothing in this bill that precludes the studios and the cable industry from negotiating in this area.

Furthermore, the compulsory license issue is within the jurisdiction of the Judiciary Committee, not the Commerce Committee. Neither the Senate nor the House Judiciary Committees has reported out a proposal, or it could have been added as an amendment on the Senate floor in January or on the House floor in July. Judiciary members likewise did not participate in the conference.

I believe that the conference report on S. 12 is a reasonable, targeted approach to problems with the cable industry. This bill responds to the concerns of the public. It protects consumers and encourages competition, while at the same time permitting the cable

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industry to grow. It enjoys the full support of the Consumer Federation of America, senior citizens, city and State officials, the National Association of Broadcasters, labor groups, cable competitors, and satellite dish owners. The conference report on S. 12 is the product of many years of work by committees in both the Senate and House. The bodies have ironed out the differences between the two bills in bipartisan and productive fashion. I particularly thank Senators INOUYE and DANFORTH for all of their hard work on this bill. This is an opportunity to show the public that Congress cares about their concerns. I urge my colleagues to support this important and necessary legislation.

Mr. BURNS. Mr. President, I ask that we reserve at least 5 minutes. The Republican leader wanted to speak on this subject. He is tied up at the present time. I ask that 5 minutes be reserved for his time, if we might.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that it be equally docked on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, there is no question that consumers are justifiably angry at the rates and service shortcomings frequently imposed on them by cable monopolies. I cannot recall a town meeting or chamber of commerce breakfast back in Kansas during the past 2 years that I did not hear at least one complaint about this industry.

So the urge to do something is understandable. But that "something" should not be a measure that will cut off the development of the programming and information that consumers really want, should not be a reregulatory scheme which will entrench and perpetuate the existing cable monopolies, and above all, should not be something that in the end will leave consumers paying more for less, still captive to a regulated monopoly provider. Despite the fact that S. 12 has been 3 years in the making, it still falls well short of giving the consumers the kind of protection from the very real problems I have just outlined.

We need to address the cable TV problems, but this legislation is not the answer. And President Bush agrees. In a letter to me last week he made his position clear—he will veto this legislation.

It is important to note that the conference report is not the same bill we passed in January. It requires cable operators to install addressable converters in all subscriber homes—the original bill did not. This requirement alone would raise costs of cable operators up to an estimated $5.8 billion.

The bill we passed in January attempted to promote competition in rural areas by permitting telephone companies to offer cable services to communities with populations smaller than 10,000. This provision would have gone a long way toward reasonable cable rates for rural America. The conference report eliminates this provision completely.

The bill we passed in January authorized the FCC to adopt national customer service standards. The conference report, instead, allows local officials unrestricted power to exceed these FCC standards, which will further raise costs.

Let us not fool ourselves, this measure is expensive. The so-called S. 12 proconsumer advocates say these new costs do not have to be passed onto cable customers. That makes about as much sense as calling taxes an investment. Let us face it. We all know who is going to get stuck with this bill. The consumer.

S. 12 is also touted as procompetitive, as it forces cable companies to sell its programming to its competitors. When I played ball in high school, we did not increase competition by giving our playbook away, but by adding the best teams to our schedule. While S. 12 does not understand competition, the FCC does. Earlier this year it authorized telephone companies to deliver video programming to consumers through video dialtone services. True competition spurs better services, innovation, and jobs. On the other hand, S. 12's outdated approach will weaken America's position in this market.

Mr. President, we began this debate to address consumer concerns. Consumers were fed up with seeing their monthly cable bill go up; they were tired of not having their service calls answered; and they were angry because nobody listened to them.

They asked us to help. And how have we answered their frustrations? By coming up with a conference report that is neither good communications policy nor good for the consumer. We know there is a problem and I believe something should be done about it. But, this conference report is not the answer. I urge my colleagues to oppose the conference report.

Mr. CRAIG. Mr. President, I have had a number of concerns about S. 12 since its introduction last year. These concerns were not resolved in the conference report on this legislation. While I recognize that there have been some problems with basic cable rate increases, and services in some areas have been poor, I disagree with the assumption that reregulation is the solution.

Reregulating the cable industry will only serve as a short-term fix, and it won't benefit the consumer in the long term. In fact, consumers aren't even assured of lower cable rates. There is sound evidence that S. 12 will increase cable rates because the legislation's mandates will increase cable companies' operating costs. It would not be surprising if the consumer ended up paying the tab. Consumers will also be paying for the Government to implement this legislation. The conferfence report will increase the Government's regulatory costs by tens of millions of dollars.

One last point I would like to make is that the cable industry also employs thousands of people. Overregulation of this industry will stifle growth and put many of those jobs at risk.

Cable has opened the world to many rural communities, and with competition and new technologies such as DBS, more information and programming will be available to our rural communities—but only if the Federal Government avoids imposing burdensome regulations on the industry.

Mr. President, I don't support unnecessary Government regulation of private industry. Therefore, I don't support S. 12. The best solution to this problem would be to provide consumers with a choice of distributors—local telephone companies, direct broadcast satellite, or another cable company.

Mr. WALLOP. Mr. President, I rise to oppose the conference report of the so-called Cable Television Consumer Protection Act of 1991, a bill that would reregulate the cable television industry. It is an example of effort we see all the time around here to sell bad ideas with sexy titles.

The current bill is anticonsumer and anticompetition. It would force monthly cable rates to increase for each of America's 60 million cable subscribers. Programming choices would be decreased. The development and use of new technologies in nonbroadcast industries would be stifled. Regulatory burdens would be further increased, and the Federal Government would obtain another self-imposed means to supersede a healthy free-market system. Excessive Government intervention is not the answer. Even the Washington Post agrees. This cable bill conference report goes too far and should be defeated.

There have been some legitimate concerns involving cable rate increases and poor customer service in pocketed areas. The original bill was conceived with good, consumer-oriented intentions. However, months of lobbying by special interests standing to gain the most from this bill has yielded language attempting to resolve intraindustry disputes at the unnecessary expense of consumers and taxpayers.

We now have an unacceptable bill which promotes special interests over consumer interests. For example, the conference report contains a buy-through prohibition. Cable operators would be required to permit cable sub-

scribers to obtain premium services such as HBO or Showtime without having to buy expanded tiers of service. Cable operators would be forced to spend billions to install addressable scrambling technology without regard to subscriber demands. This expensive option is neither appropriate nor fair. The Federal Government is attempting to place itself in the awkward position of micromanaging the marketing of television services.

In addition to direct costs, excessive Government controls of cable prices would fence in current and potential developments, uses, and exports of new technologies. These technologies include: Fiber optics; microwave TV; satellite broadcasts; and digital televisions interfaced with telephones and computers. It makes absolutely no sense for Congress to damage a sound American industry, harm consumers in both urban and rural areas, and suppress technological innovations.

I agree with consumers in Wyoming and throughout our Nation who understand the consequences of overzealous Government controls. Competition, not excessive reregulation, creates the greatest choices at the fairest prices for consumers. Competition, not regulation, creates essential jobs for Americans. Regulations like those proposed in the Cable Television Consumer Protection Act conference report do not provide for competition and do not favor consumer interests.

This bill goes too far and should be defeated. I ask unanimous consent that the Saturday, September 19, Washington Post editorial "Uncle Sam in Charge of Cable" be entered into the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 19, 1992]

UNCLE SAM IN CHARGE OF CABLE

The cable legislation approved by the House and now headed for a Senate vote calls for the federal government to step in and reregulate the industry from rates to program packaging. But this approach assumes that cable, now supplied mostly by monopolies, is a utility as necessary as electricity or telephone service. In fact, cable is a consumer option in what should become a more competitive market. This particular bill would give government a role in cable that consumers may not find so welcome over the long haul.

Forget the cable industry ads predicting that passage of the bill would send everybody's cable rates through the ceiling. Forget as well the arguments of supporters—including over-the-air broadcasters, who like a provision that would force cable operators to negotiate with them before retransmitting their signals—that the bill would force price cuts of up to 30 percent. Both sides—and we note here that The Washington Post Co. owns cable systems as well as broadcast television stations—have resorted to heavy lobbying. So has the motion picture industry, which opposes the bill because Hollywood wouldn't get any cut of the royalties that broadcasters could seek from cable operators.

Under the measure, the government would set "reasonable" rates for what it would define as "basic" programming, control prices for installation and equipment, require efficient customer service and force cable operators to equip all subscribers for channel selections that now are sold as packages of channels. The result of all these requirements is not more competition; it's more likely to be cost-cutting by eliminating cable programming or even entire channels.

The effort to control gouging by cable operators should focus on increasing competition, not on heavy reregulation. Until competitors do materialize, some determination of a reasonable rate of return for certain basic cable service is a legitimate legislative pursuit next year. This bill goes overboard.

The PRESIDING OFFICER. All time for consideration of S. 12 under the previous order has now expired.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1993

The PRESIDING OFFICER. The Senate will now proceed to consideration of H.R. 5504, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5504) making appropriations for the Department of Defense for the fiscal year ending September 30, 1993, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments; as follows:

(The part of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1993, for military functions administered by the Department of Defense, and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[$23,153,900,000]** *$23,236,700,000*.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[$19,529,200,000]** *$19,231,770,000*.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[$6,113,200,000]** *$5,973,700,000*.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for oganizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[$18,663,400,000]** *$18,520,900,000*.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 265, 3021, and 3038 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[$2,187,700,000]** *$2,218,880,000*.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; **[$1,679,000,000]** *$1,672,327,000*.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty

specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; [$349,900,000] *$346,632,000.*

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 265, 8021, and 8038 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; [$735,200,000] *$727,219,000.*

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 265, 3021, or 3496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; [$3,293,400,000] *$3,272,573,000.*

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 265, 8021, or 8496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; and for payments to the Department of Defense Military Retirement Fund; [$1,191,300,000] *$1,167,922,000.*

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $14,437,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; [$12,909,166,000] *$13,422,198,000 and, in addition, $2,229,000,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund: Provided,* That $450,000 shall be made available only for the 1993 Memorial Day Celebration and $450,000 shall be made available only for the 1993 Capitol Fourth Project: *Provided further, That of the amounts appropriated under this heading, $120,000,000 shall not be obligated or expended until such time as the Secretary of Defense certifies to the Committees on Appropriations of the House of Representatives and the Senate that the percentage of United States military base operations and foreign national employee pay costs offset by financial or assistance-in-kind contributions made by European governments will increase during the fiscal year ending September 30, 1993: Provided further, That of the funds appropriated under this heading, $36,000,000 shall be made available only for the procurement of the Extended Cold Weather Clothing System (ECWCS): Provided further, That not less than $1,715,000 shall be made available only for the environmental assessment and environmental cleanup of the Badger Army Ammunition plant: Provided further, That not less than $7,000,000 shall be made available only for the environmental cleanup of the National Presto Industries Eau Claire facility.*

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $5,005,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; [$19,272,649,000 of which $206,600,000 shall be available only for transfer to the United States Coast Guard, of which $142,100,000 shall be available for "Operating Expenses", $18,000,000 shall be available for "Acquisition, Construction, and Improvements", and $46,500,000 shall be available for "Reserve Training": *Provided,* That from the amounts of this appropriation for the alteration, overhaul and repair of naval vessels and aircraft, funds shall be available to acquire the alteration, overhaul and repair by competition between public and private shipyards, Naval Aviation Depots and private companies. The Navy shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private shipyards, Naval Aviation Depots, and private companies. Competitions shall not be subject to section 2461 or 2464 of title 10, United States Code, or to Office of Management and Budget Circular A-76. Naval Aviation Depots may perform manufacturing in order to compete for production contracts: *Provided further,* That funds appropriated or made available in this Act shall be obligated and expended to restore and maintain the facilities, activities and personnel levels, including specifically the medical facilities, activities and personnel levels, at the Memphis Naval Complex, Millington, Tennessee, to the fiscal year 1984 levels: *Provided further,* That of the funds appropriated in this paragraph, $1,001,155,000 shall not be obligated or expended until authorized by law] *$19,290,758,000 and, in addition $94,500,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund: Provided, That of the amounts appropriated under this heading, $25,000,000 shall not be obligated or expended until such time as the Secretary of Defense certifies to the Committees on Appropriations of the House of Representatives and the Senate that the percentage of United States military base operations and foreign national employee pay costs offset by financial or assistance-in-kind contributions made by European governments will increase during the fiscal year ending September 30, 1993: Provided further, That of the funds appropriated under this heading, $1,000,000 shall be made available only for the conduct of an Environmental Impact Study at Bellows Air Force Base: Provided further, That of the funds appropriated under this heading, $900,000 shall be made available only for the development of a military land use plan in Hawaii, under the direction of the Commander-in-Chief, United States Pacific Command.*

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; [$1,431,700,000] *$1,452,788,000 and, in addition, $58,500,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund: Provided,* That none of the funds appropriated in this paragraph may be used for the conversion of facilities maintenance, utilities, and motor transport functions at Cherry Point Marine Corps Air Station, North Carolina, to performance by private contractor under the procedures and requirements of OMB Circular A-76 until the General Accounting Office completes their audit and validates the decision.

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $8,912,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; [$16,141,190,000: *Provided,* That $15,500,000 shall be used only to operate, maintain and enhance the Tactical Interim CAMS and REMIS Reporting System (TICARRS): *Provided further,* That TICARRS be maintained, with direct maintenance data input, as the supporting system for the F-117A aircraft: *Provided further,* That TICARRS be reestablished, with direct maintenance data input, as the supporting system for all F-15 and F-16 aircraft by no later than 45 days after enactment of this Act: *Provided further,* That of the funds appropriated in this paragraph, $704,056,000 shall not be obligated or expended until authorized by law] *$16,205,216,000 and, in addition, $672,000,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund: Provided, That of the amounts appropriated under this heading, $30,000,000 shall not be obligated or expended until such time as the Secretary of Defense certifies to the Committees on Appropriations of the House of Representatives and the Senate that the percentage of United States military base operations and foreign national employee pay costs offset by financial or assistance-in-kind contributions made by European governments will increase during the fiscal year ending September 30, 1993: Provided further, That, of the funds appropriated under this heading, $7,000,000 shall be made available only for the operation of the Theater Air Command Control*

and Simulation Facility at Kirtland Air Force Base: Provided further, That $12,000,000 shall be used only to operate and maintain the Tactical Interim CAMS and REMIS Reporting System (TICARRS): Provided further, That TICARRS be maintained, with direct maintenance data input, as the supporting system for F-15 and F-16 aircraft that are supported by TICARRS as of September 30, 1992.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; [$9,473,310,000] *$8,796,325,000*, of which not to exceed $25,000,000 may be available for the CINC initiative fund account; and of which not to exceed $16,560,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes[: *Provided*, That of the funds appropriated by this paragraph, $845,110,000 shall be made available only for the Special Operations Command]: *Provided, That, of the funds appropriated under this heading, not less than $50,000,000 shall be made available only for the global disaster relief activities of the Department of Defense: Provided further, That, of the funds appropriated under this heading, not less than $10,000,000 shall be made available only for the disaster relief planning and studies of the Department of Defense as they relate to Department of Defense installations worldwide: Provided further, That, of the funds appropriated under this heading, not less than $50,000,000 shall be made available only for the Legacy Resource Management Program: Provided further, That of the funds appropriated under this heading, $500,000 shall be made available only for the Hawaiian Volcano Observatory.*

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; [$1,033,842,000: *Provided*, That of the funds appropriated in this paragraph, $42,623,000 shall not be obligated or expended until authorized by law] *$1,016,866,000.*

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; [$844,049,000] *$863,961,000.*

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; [$76,592,000: *Provided*, That of the funds appropriated in this paragraph, $642,000 shall not be obligated or expended until authorized by law] *$74,820,000.*

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; [$1,209,312,000] *$1,191,874,000.*

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); [$2,218,580,000: *Provided*, That of the funds appropriated in this paragraph, $1,880,000 shall not be obligated or expended until authorized by law] *$2,189,677,000.*

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; [$2,535,250,000] *$2,493,039,000.*

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses and personnel services (other than pay and non-travel-related allowances of members of the Armed Forces of the United States, except for members of the reserve components thereof called or ordered to active duty to provide support for the national matches) in accordance with law, for operation and maintenance of rifle ranges; the instruction of citizens in marksmanship; the promotion of rifle practice; the conduct of the national matches; the sale of ammunition under the authority of title 10, United States Code, sections 4308 and 4311; the travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions; and the payment to competitors at national matches under section 4312 of title 10, United States Code, of subsistence and travel allowances under section 4313 of title 10, United States Code; not to exceed $2,700,000.

COURT OF MILITARY APPEALS, DEFENSE

For salaries and expenses necessary for the United States Court of Military Appeals; [$5,900,000] *$5,893,000*, of which not to exceed $2,500 can be used for official representation purposes.

ENVIRONMENTAL RESTORATION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense; [$901,200,000] *$1,511,700,000*, to remain available until transferred: *Provided*, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, research and development associated with hazardous wastes and removal of unsafe buildings and debris of the Department of Defense, or for similar purposes (including programs and operations at sites formerly used by the Department of Defense), transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense as the Secretary may designate, to be merged with and to be available for the same purposes and for the same time period as the appropriations of funds to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation[: *Provided further*, That if an entity to which property is transferred is a State or political subdivision of a State, the United States shall hold harmless, defend and indemnify such entity from and against all claims, demands, losses, damages, liens, liabilities, injuries, deaths, penalties, fines, lawsuits and other proceedings, judgments, awards and costs and expenses arising out of, or in any manner predicated upon, the presence, release or threatened release of any hazardous substance, pollutant or contaminant resulting from the activities of the Department of Defense: *Provided further*, That this provision shall not apply to the presence, release, or threatened release of any hazardous substance, pollutant, or contaminant brought onto the property by or on behalf of any parties other than the United States Government: *Provided further*, That the terms "hazardous substance" shall include petroleum, including crude oil; natural gas, liquified natural gas; and asbestos:] *Provided further, That, of the funds provided under this heading, not less than $200,000,000 shall be available only for the expedited cleanup of environmentally contaminated sites and only in accordance with a comprehensive plan submitted to Congress by the Secretary of Defense.*

HUMANITARIAN ASSISTANCE

For transportation for humanitarian relief for refugees of Afghanistan, acquisition and shipment of transportation assets to assist in the distribution of such relief, and for transportation and distribution of humanitarian and excess nonlethal supplies for worldwide humanitarian relief, as authorized by law; [$15,000,000] *$25,000,000*, to remain available for obligation until September 30, 1994: *Provided*, That the Department of Defense shall notify the Committees on Appropriations and Armed Services of the Senate and House of Representatives 15 days prior to the shipment of humanitarian relief which is intended to be transported and distributed to countries not previously authorized by Congress[: *Provided further*, That of the funds

appropriated in this paragraph, $2,000,000 shall not be obligated or expended until authorized by law]: *Provided further, That where required and notwithstanding any other provision of law, funds made available under this heading for fiscal year 1993 or thereafter, shall be available for emergency transportation of United States or foreign nationals or the emergency transportation of humanitarian relief personnel.*

WORLD UNIVERSITY GAMES

For logistical support and personnel services including initial planning for security needs (other than pay and nontravel related allowances of members of the Armed Forces of the United States, except for members of the reserve components thereof called or ordered to active duty to provide support for the World University Games) provided by any component of the Department of Defense to the World University Games; $6,000,000.

SUMMER OLYMPICS

For logistical support and personnel services (other than pay and nontravel related allowances of members of the Armed Forces of the United States, except for members of the reserve components thereof called or ordered to active duty to provide support for the 1996 Games of the XXVI Olympiad to be held in Atlanta, Georgia) provided by any component of the Department of Defense to the 1996 Games of the XXVI Olympiad; $2,000,000.

WORLD CUP USA 1994

For logistical support and personnel services (other than pay and nontravel related allowances of members of the Armed Forces of the United States, except for members of the reserve components thereof called or ordered to active duty to provide support for the World Cup USA 1994 Organizing Committee) provided by any component of the Department of Defense to the World Cup USA 1994 Organizing Committee; $9,000,000[:–*Provided*, That funds appropriated in this paragraph shall not be obligated or expended until authorized by law].

REAL PROPERTY MAINTENANCE, DEFENSE

For the maintenance of real property of the Department of Defense under this title of this Act[, as follows:

[Army, $1,056,798,000;

[Navy, $878,556,000;

[Marine Corps, $237,300,000;

[Air Force, $958,176,000;

[Defense Agencies, $125,038,000;

[Army Reserve, $63,358,000;

[Navy Reserve, $63,523,000;

[Marine Corps Reserve, $3,408,000;

[Air Force Reserve, $38,011,000;

[Army National Guard, $105,320,000;

[Air National Guard, $93,274,000;

[In all: $3,622,762,000, of which $1,965,229,000 shall remain available for obligation until September 30, 1994]; *$1,720,029,000, to remain available for obligation until September 30, 1994, and in addition, during the current fiscal year, the Secretary of Defense shall transfer such funds as are available up to $612,000,000 from the National Defense Stockpile Transaction Fund, to remain available for obligation until Setember 30, 1994: Provided further, That the funds transferred from the National Defense Stockpile Transaction Fund shall be available only for repairing property which has been identified by the Department of Defense as part of a backlog of maintenance and repair projects in the justification material accompanying the President's budget request for fiscal year 1993: Provided further, That such funds shall be allocated by the Comptroller, Department of Defense, for the projects determined by the Department of Defense as the highest priority for repair.*

TITLE III

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [$1,414,659,000] *$1,256,842,000*, to remain available for obligation until September 30, 1995.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [$1,139,004,000] *$1,022,126,000*, to remain available for obligation until September 30, 1995[: *Provided*, That of the funds appropriated in this paragraph, $55,894,000 shall not be obligated or expended until authorized by law].

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [$807,989,000] *$878,552,000*, to remain available for obligation until September 30, 1995[: *Provided*, That of the funds appropriated in this paragraph, $71,348,000 shall not be obligated or expended until authorized by law].

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [$1,175,433,000] *$707,180,000*, to remain available for obligation until September 30, 1995[: *Provided*, That of the funds appropriated in this paragraph, $235,426,000 shall not be obligated or expended until authorized by law].

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and nontracked combat vehicles; *the purchase of not to exceed 5 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $180,000 per vehicle;* the purchase of not to exceed 38 passenger motor vehicles for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [$3,022,667,000] *$2,978,318,000*, to remain available for obligation until September 30, 1995.

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; [$6,638,127,000] *$5,734,209,000*, to remain available for obligation until September 30, 1995[: *Provided*, That of the funds appropriated in this paragraph, $285,960,000 shall not be obligated or expended until authorized by law].

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, other ordnance and ammunition, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; [$3,337,482,000] *$3,593,915,000*, to remain available for obligation until September 30, 1995.

SHIPBUILDING AND CONVERSION, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation

thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

Carrier replacement program, [$832,200,000] *$350,000,000*;

Refueling overhauls, $37,239,000;

DDG-51 destroyer program, [$705,262,000: and an additional amount of $1,900,000,000 to be derived by transfer from the Defense Business Operations Fund] *$3,265,770,000*;

LHD-1 amphibious assault ship program, [$1,205,000,000] *$1,050,000,000*;

[LSD-41 cargo variant ship program, $300,000,000;]

MHC coastal mine hunter program, [$246,205,000] *$222,140,000*;

[AOE combat support ship program, $300,000,000;]

Oceanographic ship program, [$109,500,000] *$19,500,000*;

[Sealift ship program, $801,400,000;]

[For cost growth on prior years programs, $195,000,000: *Provided*, That notwithstanding any other provision of law or regulation, the Secretary of the Navy is authorized and directed to increase the price of the T-AGS 39 and 40 contract and shall pay to the contractor which built and delivered T-AGS 39 and 40 the amount of $50,000,000. Such payment shall be made upon the contractor's execution of a release discharging the Government, its officers, agents and employees from any additional liability arising under or relating to the contract for T-AGS 39 and 40, and upon the contractor's agreement to dismiss with prejudice the pending action in the United States Claims Court: *Provided further*, That $15,000,000 is available for settlement of claims associated with conversion of T-ACS 7 and T-ACS 8: *Provided further*, That $130,000,000 is available for transfer to the following programs in the amounts specified: 1987/1991 T-AO fleet oiler program, $23,000,000; 1988/1992 T-AO fleet oiler program, $19,000,000; 1988/1992 LSD-41 cargo variant program, $27,000,000; 1990/1994 LSD-41 cargo variant program, $31,000,000; 1991/1995 LSD-41 cargo variant program, $30,000,000;]

For craft, outfitting, post delivery, and first destination transportation, [$781,425,000] *$581,673,000*;

In all: [$5,513,231,000, and $1,900,000,000 to be derived by transfer] *$5,526,322,000*, to remain available for obligation until September 30, 1997: *Provided*, That additional obligations may be incurred after September 30, 1997, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: *Provided further*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards[: *Provided further*, That the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act].

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed 602 passenger motor vehicles of which 574 shall be for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; [$5,774,446,000] *$5,629,152,000*, to remain available for obligation until September 30, 1995[, of which $61,546,000 shall be available only for the procurement of the AN/SSQ-77B sonobuoy and $9,678,000 shall be available only for sonobuoy support: *Provided*, That of the funds appropriated in this paragraph, $15,570,000 shall not be obligated or expended until authorized by law: *Provided further*, That funds appropriated in this paragraph for procurement of the Enhanced Modular Signal Processor may be obligated for such procurement under a multiyear contract, in accordance with the requirements of section 9013 of this Act].

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 46 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; [$792,128,000] *$628,677,000*, to remain available for obligation until September 30, 1995.

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; [$9,427,005,000] *$9,260,783,000*, to remain available for obligation until September 30, 1995.

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; [$4,327,902,000] *$4,125,590,000*, to remain available for obligation until September 30, 1995[: *Provided*, That not less than $120,000,000 of the funds appropriated in this paragraph shall be made available only for reimbursement of development costs associated with the Solid Rocket Motor Upgrade].

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; *the purchase of not to exceed 2 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $180,000 per vehicle*; the purchase of not to exceed 611 passenger motor vehicles of which 425 shall be for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; [$7,640,888,000] *$7,926,649,000*, to remain available for obligation until September 30, 1995.

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces; [$1,132,150,000] *$630,100,000*, to remain available for obligation until September 30, 1995[: *Provided*, That of the funds appropriated in this paragraph, $496,350,000 shall not be obligated or expended until authorized by law].

PROCUREMENT, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; *the purchase of not to exceed 1 vehicle required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $180,000 per vehicle*; the purchase of not to exceed 565 passenger motor vehicles, of which 554 shall be for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; [$1,575,178,000, of which $709,959,000 shall be available only for the Special Operations Command] *$2,068,752,000*, to remain available for obligation until September 30, 1995.

[DEFENSE PRODUCTION ACT PURCHASES

[For purchases or commitments to purchase metals, minerals, or other materials by the Department of Defense pursuant to section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093); $25,000,000, to remain available until expended: *Provided*, That none of these funds shall be obligated for any metal, mineral, or material, unless a Presidential determination has been made in accordance with the Defense Production Act: *Provided further*, That the Department of Defense shall notify the Committees on Appropriations of the

House of Representatives and the Senate thirty days prior to the release of funds for any metal, mineral, or material not previously approved by Congress: *Provided further*, That funds appropriated in this paragraph shall not be obligated or expended until authorized by law.]

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; [$5,962,532,000] *$5,112,737,000*, to remain available for obligation until September 30, 1994: *Provided*, That $2,000,000 shall be made available only for the Center for Prostate Disease Research at the Walter Reed Army Institute of Research[: *Provided further*, That $3,000,000 shall be made available only for synaptic transmission research: *Provided further*, That of the funds appropriated in this paragraph, $481,399,000 shall not be obligated or expended until authorized by law]: *Provided further, That $20,000,000 of the funds appropriated in this paragraph shall be made available in the Acquired Immune Deficiency Syndrome program element only for a large-scale Phase III clinical investigation of the drug GP-160: Provided further, That none of these funds shall be obligated until the Secretary of Defense, the Director of the National Institutes of Health and the Commissioner of Food and Drugs approve the investigation protocols based on an evaluation of the preliminary evidence of safety and effectiveness of the drug.*

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; [$9,315,969,000] *$7,073,773,000*, to remain available for obligation until September 30, 1994[: *Provided*, That for continued research and development programs at the National Center for Physical Acoustics, centering on ocean acoustics as it applies to advanced antisubmarine warfare acoustics issues with focus on ocean bottom acoustics, seismic coupling, sea-surface and bottom scattering, oceanic ambient noise, underwater sound propagation, bubble related ambient noise, acoustically active surfaces, machinery noise, propagation physics, solid state acoustics, electrorheological fluids, transducer development, ultrasonic sensors, and other such projects as may be agreed upon, $1,000,000 shall be made available, as a grant, to the Mississippi Resource Development Corporation, of which not to exceed $250,000 of such sum may be used to provide such special equipment as may be required for particular projects: *Provided further*, That of the funds appropriated in this paragraph, $193,408,000 is available only for the Ship Self-Defense program which may be obligated only if it (a) has a single program manager who is fully responsible and accountable for its execution as his or her sole duty on a full time basis, (b) finances an at-sea test which includes one or more amphibious assault ships, (c) is certified by the Secretary of Defense to the Armed Services and Appropriations Committees of Congress as being fully funded to meet a fiscal year 1997 initial operational capability date with the goal of providing ship self-defense capability rather than area air defense capability, to include a fully functioning, cooperating, and contributing air link on E-2C and AWACS aircraft, (d) is further certified by the Secretary of Defense that it will be deployed first to those ships which in 1997 will have the least capability to defend themselves from sea-skimming anti-ship cruise missile attack and which have the highest likelihood of being deployed in high threat environments, particularly amphibious ships, (e) is further certified by the Secretary to be under the active formal oversight of one or more officials within the Office of the Secretary of Defense on at least a quarterly basis, (f) includes funding to conduct a rigorous engineering systems analysis leading to a technical architecture which is fully compatible with Army and Air Force theater systems, and (g) incorporates a Quick Reaction Combat Capability which includes ruggedized commercial color Naval Tactical Data System consoles which are competitively procured: *Provided further*, That none of the funds appropriated in this paragraph or in Title IV of Public Law 102-172 may be obligated or expended to develop or purchase equipment for an Aegis destroyer variant (commonly known as "DDV") whose initial operating capability is budgeted to be achieved prior to the initial operating capability of the Ship Self-Defense program, nor to develop sensor or processor capabilities which duplicate in any way those being developed in the Ship Self-Defense program: *Provided further*, That of the funds appropriated in this paragraph, $513,673,000 shall not be obligated or expended until authorized by law].

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; [$13,731,603,000] *$11,373,380,000*, to remain available for obligation until September 30, 1994[: *Provided*, That not less than $2,000,000 of the funds appropriated in this paragraph shall be made available only for continuing the research program on development of coal-based, high thermal stability and endothermic jet fuels, including exploratory studies on direct conversion of coal to thermally stable jet fuels: *Provided further*, That not less than $6,500,000 of the funds appropriated in this paragraph shall be made available only for the Joint Seismic Program administered by the Incorporated Research Institutions for Seismology: *Provided further*, That not less than $45,000,000 of the funds appropriated in this paragraph shall be made available only for the National Center for Manufacturing Sciences (NCMS), of which not less than $5,000,000 is available only for the National Center for Tooling and Precision Components (NCTPC): *Provided further*, That none of the funds appropriated in this paragraph may be used to procure or develop Air Force-unique automatic test equipment other than to adapt the Army's Integrated Family of Test Equipment (IFTE) or Navy's Consolidated Automated Support System (CASS) to meet Air Force requirements: *Provided further*, That of the funds appropriated in this paragraph, $160,300,000 is available only for the Cheyenne Mountain Upgrade program which may be obligated only if the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence has directed the Air Force to conduct a comprehensive overall system architecture for use in the Defense Acquisition Board oversight process and for implementation in contracts for the program: *Provided further*, That not less than $123,852,000 of the funds appropriated in this paragraph shall be made available only for the Space Nuclear Thermal Propulsion Program]: *Provided, That of the funds appropriated in this paragraph, not less than $39,500,000 shall be made available in the SPACETRACK program element only to continue the Advanced Electro-Optical System project at the Air Force Maui Optical Station: Provided further, That of the funds appropriated in this paragraph not less than $5,000,000 shall be made available in the Advanced Weapons program element only to continue the establishment and operation of an image information processing center supporting the Air Force Maui Optical Station and the Maui Optical Tracking Facility: Provided further, That of the funds appropriated under the previous proviso, not less than $500,000 shall be made available as a grant to the Maui Economic Development Board to assist in refining the defense and industrial requirements and user base for the aforementioned image information processing center: Provided further, That of the funds appropriated in this paragraph, not less than $10,000,000 shall be transferred to the Department of Transportation Office of Commercial Space Development to support defense space launch requirements.*

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES

[(INCLUDING RESCISSION)]

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; [$9,510,354,000] *$8,501,222,000*, to remain available for obligation until September 30, 1994[, of which $274,459,000 shall be available only for the Special Operations Command: *Provided*, That not less than $135,000,000 of the funds appropriated in this paragraph are available only for the Extended Range Interceptor (ERINT) missile: *Provided further*, That not less than $12,000,000 of the funds appropriated in this paragraph shall be available only for an Experimental Program to Stimulate Competitive Research (EPSCOR) in the Department of Defense which shall include all States eligible as of the date of enactment of this Act for the National Science Foundation Experimental Program to Stimulate Competitive Research: *Provided further*, That none of the funds in this paragraph may be obligated for the development of the Superconductive Magnetic Energy Storage system unless its processes, materials, and components are substantially manufactured in the United States]: *Provided, That not less than $25,000,000 of the funds appropriated in this paragraph shall be made available only to explore the potential for electric vehicles to enable the armed services to achieve energy cost savings, comply with environmental requirements, and meet mission objectives: Provided further, That not less than $5,000,000 of the funds provided under the previous proviso shall be made available only to establish one of the demonstration sites for the aforementioned electric vehicle technology program in the State of Hawaii.*

[Of the funds made available under this heading in the Department of Defense Appropriations Act, 1992 (Public Law 102-172; 105 Stat. 1150, 1166), $25,000,000 for the Arctic Region Superconducting Center is rescinded].

TACTICAL AVIATION MODERNIZATION, DEFENSE

For expenses of activities and agencies of the Department of Defense, necessary for basic and

applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $3,488,977,000, to remain available for obligation until September 30, 1994: Provided, That not more than one-third of the funds appropriated in this paragraph may be transferred, obligated and expended until the Secretary of Defense submits, no later than May 15, 1993, to the Congressional defense committees a report addressing the military and fiscal validity of the major programs proposed to modernize the tactical aviation forces of the United States: Provided further, That, subject to the restrictions established in the preceding proviso, the Secretary of Defense shall, upon determining that such funds are required to modernize the tactical aviation forces of the United States, transfer the funds made available by this appropriation to other appropriations under this title as the Secretary may designate, to be merged with and to be available for the same purposes and the same time period as the appropriations to which transferred: Provided further, That the transfer authority provided under this heading shall be in addition to any other transfer authority contained in this Act.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Deputy Director of Defense Research and Engineering (Test and Evaluation) in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; **[$261,707,000]** *$260,707,000*, to remain available for obligation until September 30, 1994.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; $12,983,000, to remain available for obligation until September 30, 1994.

TITLE V

REVOLVING AND MANAGEMENT FUNDS

DEFENSE BUSINESS OPERATIONS FUND

For the Defense Business Operations Fund; **[$16,600,000]** *$1,123,800,000: Provided, That, in addition to any other transfer authority contained in this Act, $454,800,000 may be transferred from the Defense Business Operations Fund to appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred, as follows: $280,000,000 to Operation and Maintenance, Navy; $50,800,000 to Operation and Maintenance, Marine Corps; $112,700,000 to Operation and Maintenance, Air Force; and $11,300,000 to Operation and Maintenance, Defense Agencies: Provided further, That, of funds available in the Defense Business Operations Fund, not less than $90,000,000 shall be available for the purchase of 1.8 million cases of Meals Ready to Eat in the current fiscal year.*

NATIONAL DEFENSE SEALIFT FUND

For the National Defense Sealift Fund, $1,201,400,000 to remain available until expended.

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law; **[$9,302,675,000]** *$9,263,226,000*, of which **[$9,003,026,000]** *$8,969,454,000* shall be for Operation and maintenance**[**, of which $92,251,000 shall be for real property maintenance**]**; and **[$299,649,000]** *$293,772,000*, to remain available for obligation until September 30, 1995, shall be for Procurement**[**: *Provided*, That not to exceed $40,000,000 of available funds shall be provided to the Uniformed Services Treatment Facilities program to be used only to fulfill any recoupment action of the Health Care Financing Administration for health care provided to eligible retired Department of Defense beneficiaries over age 65 between October 1, 1986, and December 31, 1989: *Provided further*, That none of the funds available to the Department of Defense shall be obligated or expended to operate, maintain and pay the salaries or expenses of those eight individuals in the immediate Office of the Assistant Secretary of Defense for Health Affairs or the merit pay attorney advisor in the Office of the General Counsel, Personnel and Health Policy, who currently provides advice to the Office of the Assistant Secretary of Defense for Health Affairs**]**: *Provided, That the Department of Defense may not use funds appropriated or otherwise made available in this Act to promulgate or enforce the policy enunciated in the memorandum for the Secretaries of the Military Departments that became effective October 1, 1988, prohibiting non-funded abortions in military medical treatment facilities outside the continental United States, or any other policies having the same substance: Provided further*, That the Department shall competitively contract for and begin to test implementation of a mail service pharmacy benefit in fiscal year 1993 in *Hawaii and in at least* two regions of the United States: *Provided further*, That of the funds appropriated in this Act, $150,000 shall be used only for the implementation of a cooperative program model at Madigan Medical Center for severely behavior disordered students**[**: *Provided further*, That notwithstanding any other provision of law or regulation, there will be no requirement for the Secretary of Defense or any other government official to certify that the CHAMPUS Reform Initiative is the most cost effective method of providing health care in any specific location before it can be implemented:-*Provided further*, That notwithstanding any other provision of law, the Department shall competitively award an at-risk contract for managed health care for the National Capital Region with a benefit structure similar to the CHAMPUS Reform Initiative, without infringing upon the Baltimore Uniformed Services Treatment Facility catchment service area: *Provided further*, That not less than $7,500,000 of the funds appropriated in this paragraph shall be made available as a grant only to the Northeast Regional Cancer Institute for programs of major importance to the Department of Defense: *Provided further*, That of the funds appropriated in this paragraph, $213,251,000 shall not be obligated or expended until authorized by law**]**.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986; **[$494,100,000]** *$524,400,000*, of which **[$246,400,000]** *$267,400,000* shall be for Operation and maintenance, **[$241,200,000]** *$254,500,000*, to remain available until September 30, 1995, shall be for Procurement, and **[$6,500,000]** *$2,500,000*, to remain available until September 30, 1994, shall be for Research, development, test and evaluation.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation; **[$1,261,900,000]** *$1,259,200,000*: *Provided*, That the funds appropriated by this paragraph shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: *Provided further*, That the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act: *Provided further*, That $25,500,000 shall be available only for operation and maintenance expenses for five sea-based aerostat systems to provide detection and monitoring support for the United States Coast Guard anti-narcotics operations: *Provided further*, That of the funds appropriated in this paragraph, not less than $7,500,000 shall be available only for the Gulf States Counter-Narcotics Initiative.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended; **[$219,700,000]** *$126,000,000*, of which **[$218,900,000]** *$125,200,000* shall be for Operation and maintenance, of which not to exceed $300,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on his certificate of necessity for confidential military purposes; and of which $800,000, to remain available until September 30, 1995, shall be for Procurement.

TITLE VII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; $168,900,000.

COMMUNITY MANAGEMENT STAFF

For necessary expenses of the Community Management Staff; $9,500,000.

NATIONAL SECURITY EDUCATION TRUST FUND

For payment to the National Security Education Trust Fund; $35,000,000.

TITLE VIII

DEFENSE REINVESTMENT FOR ECONOMIC GROWTH

[Of the funds appropriated in this Act for the Department of Defense for fiscal year 1993, $1,000,000,000 shall remain available until expended only for defense reinvestment programs as authorized by the National Defense Authorization Act for Fiscal Year 1993.**]**

For necessary expenses for transition benefits for military and civilian employees of the Department of Defense, assistance to communities and industries affected by the military draw down, and for research and development activities; $2,000,000,000, to remain available for obligation until September 30, 1994: Provided, That, of the funds appropriated under this heading, $80,000,000 may be transferred by the Office of Economic Adjustment to the Department of Commerce's Economic Development Administration and $50,000,000 may be transferred to the Department of Labor: Provided further, That such funds may be transferred only for programs which assist workers and communities affected by the military draw down.

TITLE IX

GENERAL PROVISIONS

SEC. 9001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 9002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: *Provided*, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: *Provided further*, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: *Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of the Philippines or foreign national employees of the Department of Defense in the Republic of Turkey.*

SEC. 9003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 9004. No more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps, or the National Board for the Promotion of Rifle Practice, Army.

SEC. 9005. During the current fiscal year and hereafter, no part of any appropriation contained in this Act, except for small purchases covered by section 2304(g) of title 10, United States Code, shall be available for the procurement of any article or item of food, clothing, tents, tarpaulins, covers, cotton and other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles), or any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials, or specialty metals including stainless steel flatware, or hand or measuring tools, not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that satisfactory quality and sufficient quantity of any articles or items of food, individual equipment, tents, tarpaulins, covers, or clothing or any form of cotton or other natural fiber products, woven silk and woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, canvas products, wool, or specialty metals including stainless steel flatware, grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters, and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States or its possessions when such procurement is necessary 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 where such procurement is necessary in furtherance of agreements with foreign governments in which both governments agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country, so long as such agreements with foreign governments comply, where applicable, with the requirements of section 36 of the Arms Export Control Act and with section 2457 of title 10, United States Code: *Provided further*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions.

(TRANSFER OF FUNDS)

SEC. 9006. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed [$2,500,000,000] *$1,500,000,000* of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act.

(TRANSFER OF FUNDS)

SEC. 9007. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds and the "Foreign Currency Fluctuations, Defense" and "Operation and Maintenance" appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

SEC. 9008. *(a) None of the funds available to the Department of Defense in this Act shall be used by the Secretary of a military department to purchase coal or coke from foreign nations for use at United States defense facilities in Europe when coal from the United States is available.*

(b) Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: *Provided*, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: *Provided further*, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, *regional* or municipal services, [if provisions are included for the consideration of United States coal as an energy source] *if the Air Force certifies that a fair competitive bidding process is used for the selection of heating facility modernization and that any competition includes United States coal.*

SEC. 9009. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the Committees on Appropriations and Armed Services of the Senate and House of Representatives.

SEC. 9010. No part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

SEC. 9011. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services shall be available for payments to physicians and other authorized individual health care providers in excess of the amounts allowed in fiscal year 1992 for similar services, except that: (a) for services for which the Secretary of Defense determines an increase is justified by economic circumstances, the allowable amounts may be increased in accordance with appropriate economic index data similar to that used pursuant to title XVIII of the Social Security Act; and (b) for services the Secretary determines are overpriced based on [an analysis similar to that used pursuant to] *allowable payments under* title XVIII of the Social Security Act, the allowable amounts shall be reduced by not more than 15 percent *(except that the reduction may be waived if the Secretary determines that it would impair adequate access to health care services for beneficiaries)*. The Secretary shall

solicit public comment prior to promulgating regulations to implement this section. *Such regulations shall include a limitation, similar to that used under title XVIII of the Social Security Act, on the extent to which a provider may bill a beneficiary an actual charge in excess of the allowable amount.*

SEC. 9012. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 1995.

SEC. 9013. None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year, unless the Committees on Appropriations and Armed Services of the Senate and House of Representatives have been notified at least thirty days in advance of the proposed contract award: *Provided*, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: *Provided further*, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: *Provided further*, That no multiyear procurement contract can be terminated without 10-day prior notification to the Committees on Appropriations and Armed Services of the House of Representatives and the Senate: *Provided further*, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:

Defense Support Satellites 23, 24 and 25.

(TRANSFER OF FUNDS)

SEC. 9014. None of the funds appropriated in this Act may be made available through transfer, reprogramming, or other means between the Central Intelligence Agency and the Department of Defense for any intelligence or special activity different from that previously justified to the Congress unless the Director of Central Intelligence or the Secretary of Defense has notified the House and Senate Appropriations Committees of the intent to make such funds available for such activity.

[SEC. 9015. (a) None of the funds appropriated by this Act shall be available to convert a position in support of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard occupied by, or programmed to be occupied by, a (civilian) military technician to a position to be held by a person in an active duty status or active Guard or Reserve status if that conversion would reduce the total number of positions occupied by, or programmed to be occupied by, (civilian) military technicians of the component concerned, below 69,929: *Provided*, That none of the funds appropriated by this Act shall be available to support more than 46,306 positions in support of the Army Reserve, Army National Guard, or Air National Guard occupied by, or programmed to be occupied by, persons in an active Guard or Reserve status: *Provided further*, That none of the funds appropriated by this Act may be used to include (civilian) military technicians in computing civilian personnel ceilings, including statutory or administratively imposed ceilings, on activities in support of the Army Reserve, Air Force Reserve, Army National Guard, or Air National Guard.

[(b) None of the funds appropriated by this Act shall be used to include (civilian) military technicians in any administratively imposed freeze on civilian positions.]

SEC. 9015. (a) None of the funds appropriated by this Act shall be used to reduce the end strength of the National Guard and Reserve Components below the levels funded in this Act: Provided, That the Secretary of Defense may vary each such end strength by not more than 2 percent.

(b) None of the funds appropriated by this Act shall be used to reduce the force structure allowance (1) of the Army National Guard below 434,000, (2) of the Army Reserve below 298,230, and (3) of any other National Guard and Reserve Component below the end strength level supported by funds appropriated by this Act: Provided, That in the case of any National Guard or Reserve Component, the Secretary of Defense may vary such force structure allowance by a percentage not in excess of the percentage (if any) by which the end strength level of that component is varied pursuant to the authority provided in the proviso in subsection (a).

SEC. 9016. Notwithstanding any other provision of law, governments of Indian tribes shall be treated as State and local governments for the purposes of disposition of real property recommended for closure in the report of the Defense Secretary's Commission on Base Realignments and Closures, December 1988, the report to the President from the Defense Base Closure and Realignment Commission, July 1991, and Public Law 100-526.

[SEC. 9017. (a) The provisions of section 115(a)(4) of title 10, United States Code, shall not apply with respect to fiscal year 1993 or with respect to the appropriation of funds for that year.

[(b) During fiscal year 1993, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

[(c) The fiscal year 1994 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1994 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 1994.]

SEC. 9017. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the fifty United States, its territories, and the District of Columbia, 125,000 civilian workyears: Provided, That workyears shall be applied as defined in the Federal Personnel Manual: Provided further, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.

SEC. 9018. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 9019. None of the funds appropriated by this Act shall be obligated for the pay of any individual who is initially employed after the date of enactment of this Act as a technician in the administration and training of the Army Reserve and the maintenance and repair of supplies issued to the Army Reserve unless such individual is also a military member of the Army Reserve troop program unit that he or she is employed to support. Those technicians employed by the Army Reserve in areas other than Army Reserve troop program units need only be members of the Selected Reserve.

SEC. 9020. None of the funds available to the Department of Defense may be used for the floating storage of petroleum or petroleum products except in vessels of or belonging to the United States.

SEC. 9021. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239: *Provided further*, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SEC. 9022. Notwithstanding any other provision of law, the Secretaries of the Army and Air Force may authorize the retention in an active status until age sixty of any officer who would otherwise be removed from an active status and who is employed as a National Guard or Reserve technician in a position in which active status in a reserve component of the Army or Air Force is required as a condition of that employment.

[SEC. 9023. Funds available for operation and maintenance under this Act may be used in connection with demonstration projects and other activities authorized by section 1092 of title 10, United States Code.]

SEC. 9023. Notwithstanding any other provision of law, the Army Central Hospital Fund, a Non Appropriated Fund Instrumentality, shall be terminated upon enactment of this Act. All residual funds will, on that date, be transferred to an appropriated trust fund established by the Secretary of the Army for the operation and maintenance of "Fisher Houses" located in proximity to Army Medical Treatment Facilities. The Secretary shall promulgate regulations governing the expenditure and accountability of these funds.

SEC. 9024. (a) None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, rep-

resenting the normal cost for future benefits under section 1415(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act—

(1) enlists in the armed services for a period of active duty of less than three years; or

(2) receives an enlistment bonus under section 308a or 308f of title 37, United States Code,

nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: *Provided*, That, in the case of a member covered by clause (1), these limitations shall not apply to members in combat arms skills or to members who enlist in the armed services on or after July 1, 1989, under a program continued or established by the Secretary of Defense in fiscal year 1991 to test the cost-effective use of special recruiting incentives involving not more than nineteen noncombat arms skills approved in advance by the Secretary of Defense: *Provided further*, That this subsection applies only to active components of the Army.

(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: *Provided*, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: *Provided further*, That this subsection applies only to active components of the Army.

SEC. 9025. Funds appropriated in this Act shall be available for the payment of not more than 75 percent of the charges of a postsecondary educational institution for the tuition or expenses of an officer in the Ready Reserve of the Army National Guard or Army Reserve for education or training during his off-duty periods, except that no part of the charges may be paid unless the officer agrees to remain a member of the Ready Reserve for at least four years after completion of such training or education.

SEC. 9026. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That this section shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 percent Native American ownership.

[SEC. 9027. None of the funds available to the Department of Defense shall be available to award a competitive procurement contract for any round of 120mm mortar ammunition unless such round has successfully passed first article acceptance testing and has a validated level III technical data package which supports such competitive procurement: *Provided*, That none of the funds appropriated in this Act to the Department of the Army may be obligated for procurement of 120mm mortars or 120mm mortar ammunition manufactured outside of the United States.]

SEC. 9027. Notwithstanding any other provision of law, none of the funds appropriated in this Act may be used to purchase, install, replace, or otherwise repair any lock on a safe or security container which protects information critical to national security or any other classified materials and which has not been certified as passing the security lock specifications contained in regulation FF-L-2740 dated October 12, 1989, and has not passed all testing criteria and procedures established through February 28, 1992.

SEC. 9028. None of the funds appropriated or made available by this Act may be obligated for acquisition of major automated information systems which have not successfully completed oversight reviews required by Defense Department regulations: *Provided*, That none of the funds appropriated or made available by this Act may be obligated on Composite Health Care System acquisition contracts if such contracts would cause the total life cycle cost estimate of $1,600,000,000 expressed in fiscal year 1986 constant dollars to be exceeded.

SEC. 9029. None of the funds provided by this Act may be used to pay the salaries of any person or persons who authorize the transfer of unobligated and deobligated appropriations into the Reserve for Contingencies of the Central Intelligence Agency.

SEC. 9030. Funds appropriated by this Act for construction projects of the Central Intelligence Agency, which are transferred to another Agency for execution, shall remain available until expended.

SEC. 9031. Notwithstanding any other provision of law, the Secretary of the Navy may use funds appropriated to charter ships to be used as auxiliary minesweepers providing that the owner agrees that these ships may be activated as Navy Reserve ships with Navy Reserve crews used in training exercises conducted in accordance with law and policies governing Naval Reserve forces: *Provided, That none of the funds appropriated or made available in this Act may be used to inactivate, disestablish, or discontinue the Navy's Craft of Opportunity Program.*

SEC. 9032. [Notwithstanding] *None of the funds in this Act may be used to execute a contract for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) Reform Initiative that exceeds the total fiscal year 1987 costs for CHAMPUS care provided in California and Hawaii, plus normal and reasonable adjustments for price and program growth: Provided, That notwithstanding* any other provision of law, the Department shall competitively award contracts for the geographical expansion of the CHAMPUS Reform Initiative in Florida (which may include Department of Veterans Affairs medical facilities with the concurrence of the Secretary of Veterans Affairs), [Washington, Oregon, and the Alexandria, Louisiana (England Air Force Base) region: *Provided,*] *and Oregon: Provided further*, That none of the funds appropriated, or otherwise made available to the Department of Defense, by this or any other Act of Congress, shall be used to implement or administer a health care delivery management program for Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) eligible beneficiaries in California, Florida, Hawaii, Oregon, [Washington, New Orleans and Alexandria, Louisiana (England Air Force Base) region] *and New Orleans*, unless the scope of benefits and program management structure [are identical to that] *preserves the basic design in operation* provided on October 1, 1991, under the California and Hawaii CHAMPUS Reform Initiative Demonstration Program: *Provided further*, That no funds may be used to implement or otherwise administer a health care delivery management program that restricts access to military treatment facilities or otherwise reduces the health care benefits of eligible beneficiaries who choose not to enroll in that program: [*Provided further*, That no provision of this or any other Act shall be interpreted as granting authority under title 41, United States Code, section 253(a)(5) to modify, without soliciting competitive at-risk proposals, contracts with CHAMPUS fiscal intermediaries (FI) for the purpose of giving them more responsibility for implementing or otherwise administering a health care delivery management program: *Provided further*, That Solicitation Number MDA 906-91-R-0002 be amended to conform with this provision of law and shall provide for no less than a six-month transition period: *Provided further*, That the preemption provisions of section 1103(a) of title 10, United States Code, shall apply to contracts entered into pursuant to Solicitation Number MDA 906-91-R-0002 and shall preempt State and local laws and regulations which relate to health insurance or prepaid health care plans.]

SEC. 9033. Funds appropriated or made available in this Act shall be obligated and expended to continue to fully utilize the facilities at the United States Army Engineer's Waterways Experiment Station, including the continued availability of the supercomputer capability: *Provided*, That none of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the Armed Services and Appropriations Committees of Congress that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 9034. None of the funds provided in this Act shall be available for use by a Military Department to modify an aircraft, weapon, ship or other item of equipment, that the Military Department concerned plans to retire or otherwise dispose of within five years after completion of the modification: *Provided*, That this prohibition shall not apply to safety modifications: *Provided further*, That this prohibition may be waived by the Secretary of a Military Department if the Secretary determines it is in the best national security interest of the country to provide such waiver and so notifies the congressional defense committees in writing: *Provided further, That during the current fiscal year and the following fiscal year, additional obligations may be incurred under fiscal year 1990 procurement appropriations for the installation of equipment when obligations were incurred during the period of availability of such appropriations for the procurement of such equipment but obligations for the installation of such equipment were not able to be incurred before the expiration of the period of availability of such appropriations.*

SEC. 9035. For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the

Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) and by the Budget Enforcement Act of 1990 (Public Law 101-508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 1993, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes, and the P-1 and R-1 budget justification documents as subsequently modified by Congressional action: *Provided*, That the following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act: *Provided further*, That at the time the President submits his budget for fiscal year 1994, the Department of Defense shall transmit to the Committees on Appropriations and the Committees on Armed Services of the Senate and the House of Representatives a budget justification document to be known as the "O-1" which shall identify, at the budget activity, activity group, and subactivity group level, the amounts requested by the President to be appropriated to the Department of Defense for operation and maintenance in any budget request, or amended budget request, for fiscal year 1994.

[SEC. 9036. Of the funds appropriated to the Army, $230,700,000 shall be available only for the Reserve Component Automation System (RCAS): *Provided*, That none of these funds can be expended—

[(1) except as approved by the Chief of the National Guard Bureau;

[(2) unless RCAS resource management functions are performed by the National Guard Bureau;

[(3) to pay the salary of an RCAS program manager who has not been selected and approved by the Chief of the National Guard Bureau and chartered by the Chief of the National Guard Bureau and the Secretary of the Army;

[(4) unless the Program Manager (PM) charter makes the PM accountable to the Chief of the National Guard Bureau and fully defines his authority, responsibility, reporting channels and organizational structure;

[(5) to pay the salaries of individuals assigned to the RCAS program management office unless such organization is comprised of personnel chosen jointly by the Chiefs of the National Guard Bureau and the Army Reserve;

[(6) to pay contracted costs for the acquisition of RCAS unless RCAS is an integrated system consisting of software, hardware, and communications equipment and unless such contract continues to preclude the use of Government furnished equipment, operating systems, and executive and applications software; and

[(7) unless RCAS performs its own classified information processing.]

SEC. 9036. None of the funds appropriated or otherwise made available by this Act may be obligated or expended for development or procurement of any automated Computer Aided Logistics system unless specific approval for such system is provided in writing to the Committees on Appropriations and Armed Services of the House and Senate by the Assistant Secretary of Defense for Production and Logistics at least 30 days prior to any contract solicitation.

SEC. 9037. None of the funds provided for the Department of Defense in this Act may be obligated or expended for fixed price-type contracts in excess of $10,000,000 for the development of a major system or subsystem unless the Under Secretary of Defense for Acquisition determines, in writing, that program risk has been reduced to the extent that realistic pricing can occur, and that the contract type permits an equitable and sensible allocation of program risk between the contracting parties: *Provided*, That the Under Secretary may not delegate this authority to any persons who hold a position in the Office of the Secretary of Defense below the level of Assistant Secretary of Defense: *Provided further*, That at least thirty days before making a determination under this section the Secretary of Defense will notify the Committees on Appropriations of the Senate and House of Representatives in writing of his intention to authorize such a fixed price-type developmental contract and shall include in the notice an explanation of the reasons for the determination.

SEC. 9038. Monetary limitations on the purchase price of a passenger motor vehicle shall not apply to vehicles purchased for intelligence activities conducted pursuant to Executive Order 12333 or successor orders.

SEC. 9039. Not to exceed $20,000,000 of the funds available to the Department of the Army during the current fiscal year may be used to fund the construction of classified military projects within the Continental United States, including design, architecture, and engineering services.

[SEC. 9040. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: *Provided*, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): *Provided further*, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: *Provided further*, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.]

SEC. 9040. The Secretary of Defense shall take such action as necessary to assure that a minimum of 75 percent of the coal and petroleum pitch carbon fiber requirement be procured from domestic sources by 1994.

[(TRANSFER OF FUNDS)

[SEC. 9041. Notwithstanding any other provision of law, the Department of Defense may transfer prior year unobligated balances and funds appropriated in this Act to the operation and maintenance appropriations for the purpose of providing military technician and Department of Defense medical personnel pay and medical programs (including CHAMPUS) the same exemption from sequestration set forth in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) and by the Budget Enforcement Act of 1990 (Public Law 101-508) as that granted the other military personnel accounts: *Provided*, That any transfer made pursuant to any use of the authority provided by this provision shall be limited so that the amounts reprogrammed to the operation and maintenance appropriations do not exceed the amounts sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119) and by the Budget Enforcement Act of 1990 (Public Law 101-508): *Provided further*, That the authority to make transfers pursuant to this section is in addition to the authority to make transfers under other provisions of this Act: *Provided further*, That the Secretary of Defense may proceed with such transfer after notifying the Appropriations Committees of the House of Representatives and the Senate twenty calendar days in session before any such transfer of funds under this provision.]

SEC. 9041. (a) Of the amounts available to the Department of Defense for fiscal year 1993, not less than $10,000,000 shall be available for National Defense Science and Engineering Graduate Fellowships to be awarded on a competitive basis by the Secretary of Defense to United States citizens or nationals pursuing advanced degrees in fields of primary concern and interest to the Department.

(b) Fellowships awarded pursuant to subsection (a) above shall not be restricted on the basis of the geographical locations in the United States of the institutions at which the recipients are pursuing the aforementioned advanced degrees.

(c) Not less than 50 per centum of the funds necessary to carry out this section shall be derived from the amounts available for the University Research Initiatives Program in "Research, Development, Test and Evaluation, Defense Agencies", and the balance necessary shall be derived from amounts available for Defense Research Sciences under title IV of this Act.

SEC. 9042. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel homeported on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.

[SEC. 9043. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service in excess of thirty days in any year, in the case of a patient nineteen years of age or older, forty-five days in any year in the case of a patient under nineteen years of age, or one hundred and fifty days in any year in the case of inpatient mental health services provided as residential treatment care, or for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: *Provided*, That these limitations do not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided

pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care: *Provided further*, That the Secretary of Defense (after consulting with the other administering Secretaries) may prescribe separate payment requirements (including deductibles, copayments, and catastrophic limits) for the provision of mental health services to persons covered by this provision or section 1086 of title 10, United States Code. The payment requirements may vary for different categories of covered beneficiaries, by type of mental health service provided, and based on the location of the covered beneficiaries: *Provided further*, That except in the case of an emergency, the Secretary of Defense shall require preadmission authorization before inpatient mental health services may be provided to persons covered by this provision or section 1086 of title 10, United States Code. In the case of the provision of emergency inpatient mental health services, approval for the continuation of such services shall be required within 72 hours after admission.]

SEC. 9043. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 9044. The designs of the Army Comanche Helicopter, the Navy A-X Aircraft, the Air Force Advanced Tactical Fighter, and any variants of these aircraft, must incorporate Joint Integrated Avionics Working Group standard avionics specifications and must fully comply with all DOD regulations requiring the use of the Ada computer programming language no later than 1998: *Provided*, That all new Department of Defense procurements shall separately identify software costs in the work breakdown structure defined by MIL-STD-881 in those instances where software is considered to be a major category of cost.

SEC. 9045. Of the funds appropriated, reimbursable expenses incurred by the Department of Defense on behalf of the Soviet Union or its successor entities in monitoring United States implementation of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range or Shorter-Range Missiles ("INF Treaty"), concluded December 8, 1987, may be treated as orders received and obligation authority for the applicable appropriation, account, or fund increased accordingly. Likewise, any reimbursements received for such costs may be credited to the same appropriation, account, or fund to which the expenses were charged: *Provided*, That reimbursements which are not received within one hundred and eighty days after submission of an appropriate request for payment shall be subject to interest at the current rate established pursuant to section 2(b)(1)(B) of the Export-Import Bank Act of 1945 (59 Stat. 526). Interest shall begin to accrue on the one hundred and eighty-first day following submission of an appropriate request for payment: *Provided further*, That funds appropriated in this Act may be used to reimburse United States military personnel for reasonable costs of subsistence, at rates to be determined by the Secretary of Defense, incurred while accompanying Soviet Inspection Team members or inspection team members of the successor entities of the Soviet Union engaged in activities related to the INF Treaty: *Provided further*, That this provision includes only the in-country period (referred to in the INF Treaty) and is effective whether such duty is performed at, near, or away from an individual's permanent duty station.

SEC. 9046. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.

[SEC. 9047. None of the funds available to the Department of Defense or Navy shall be obligated or expended to (1) implement Automatic Data Processing, Data Processing Installation, Central Design Activity, or Information Technology Facility consolidation plans, or (2) make reductions in force or transfers in personnel, end strengths, billets or missions that affect the Naval Regional Data Automation Center, the Enlisted Personnel Management Center, the Naval Reserve Personnel Center and related missions, functions and commands until sixty legislative days after the Secretary of Defense submits a report, including complete review comments and a certification by the General Accounting Office, to the Committees on Appropriations of the House and Senate justifying any transfer, reductions, or consolidations in terms of (1) addressing the overall mission and operations staffing of all Naval Automatic Data Processing, Information Technology Facility, and Naval personnel functions and all Naval Regional Data Automation Centers, Data Processing Installations, and Central Design Activities for all active and reserve personnel commands and field activities, Data Processing Installations, Central Design Activities, and Automatic Data Processing commands and field activities; and (2) certifying that such reductions, transfers, consolidation plans or new operations: (a) do not duplicate functions presently conducted, do not consolidate or transfer Naval Regional Data Automation Center personnel, workload or functions that are planned for consolidation or transfer in other defense management report plans, do not impact Naval Regional Data Automation Centers that had a positive net operating result, without prior year adjustments, for each of the last three fiscal years, and do not result in the transfer of Naval automatic data processing functions which are inherent to operations of a co-located command; (b) are cost effective from a budgetary standpoint; (c) will not adversely affect the mission, readiness and strategic considerations of the Navy and the Naval Reserve, will not adversely impact on the quality of life and economic benefits of the individual serviceman and dependents, and will not result in the consolidation of Naval Regional Data Automation Centers, Data Processing Installations, Central Design Activities or automatic data processing functions from areas, except the National Capital Region, that are economically depressed and have at least 15 percent of its population with annual incomes at or below the current annual Federal poverty level.]

SEC. 9047. Notwithstanding any other provision of law, the Secretary of Defense may, by Executive Agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of U.S. military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: Provided, That such credits may be utilized only for the construction of facilities to support U.S. military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: Provided further, That the Department of Defense's budget submission for each fiscal year shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: Provided further, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: Provided further, That each such Executive Agreement with a NATO member host nation shall be reported to the Committees on Appropriations and Armed Services of the House of Representatives and the Senate thirty days prior to the conclusion and endorsement of any such agreement established under this provision.

SEC. 9048. No funds appropriated by this Act may be obligated or expended to prepare, or to assist any contractor of the Department of Defense in preparing, any material, report, list, or analysis with respect to the actual or projected economic or employment impact in a particular State or congressional district of an acquisition program for which all research, development, testing and evaluation has not been completed.

SEC. 9049. All obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

SEC. 9050. None of the funds appropriated by this Act shall be available for a contract for studies, analyses, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines:

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work, or

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of

equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 9051. None of the funds available to the Department of Defense in this Act shall be used to demilitarize or dispose of more than 310,784 unserviceable M1 Garand rifles and M1 Carbines.

SEC. 9052. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 percent of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.

SEC. 9053. None of the funds appropriated by this Act may be used by the Department of Defense to assign a supervisor's title or grade when the number of people he or she supervises is considered as a basis for this determination: *Provided*, That savings that result from this provision are represented as such in future budget proposals.

SEC. 9054. None of the funds appropriated by this or any other Act with respect to any fiscal year for the Navy may be used to carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator for Ships (EMPRESS II) program unless or until the Secretary of Defense certifies to the Congress that conduct of the EMPRESS II program is essential to the national security of the United States and to achieving requisite military capability for United States naval vessels, and that the economic, environmental, and social costs to the United States of conducting the EMPRESS II program in the Chesapeake Bay area are far less than the economic, environmental, and social costs caused by conducting the EMPRESS II program elsewhere.

[SEC. 9055. Of the funds appropriated by this Act, no more than $4,000,000 shall be available for the health care demonstration project regarding chiropractic care required by section 632(b) of the Department of Defense Authorization Act, 1985, Public Law 98-525.]

SEC. 9055. Of the funds appropriated by this Act, no more than $16,000,000 shall be available for the mental health care demonstration project at Fort Bragg, North Carolina: Provided, That adjustments may be made for normal and reasonable price and program growth.

SEC. 9056. None of the funds appropriated by this Act may be used to pay health care providers under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) for services determined under the CHAMPUS Peer Review Organization (PRO) Program to be not medically or psychologically necessary. The Secretary of Defense may by regulation adopt any quality and utilization review requirements and procedures in effect for the Peer Review Organization Program under title XVIII of the Social Security Act (Medicare) that the Secretary determines necessary, and may adapt the Medicare requirements and procedures to the circumstances of the CHAMPUS PRO Program as the Secretary determines appropriate.

SEC. 9057. Such sums as may be necessary for fiscal year 1993 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 9058. None of the funds appropriated by this Act shall be available for payments under the Department of Defense contract with the Louisiana State University Medical Center involving the use of cats for Brain Missile Wound Research, and the Department of Defense shall not make payments under such contract from funds obligated prior to the date of the enactment of this Act, except as necessary for costs incurred by the contractor prior to the enactment of this Act, and until thirty legislative days after the final General Accounting Office report on the aforesaid contract is submitted for review to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That funds necessary for the care of animals covered by this contract are allowed.

SEC. 9059. None of the funds provided in this Act or any other Act shall be available to conduct bone trauma research at the Letterman Army Institute of Research until the Secretary of the Army certifies that the synthetic compound to be used in the experiments is of such a type that its use will result in a significant medical finding, the research has military application, the research will be conducted in accordance with the standards set by an animal care and use committee, and the research does not duplicate research already conducted by a manufacturer or any other research organization.

SEC. 9060. The Secretary of Defense shall include in any base closure and realignment plan submitted to Congress after the date of enactment of this Act, a complete review for the five-year period beginning on October 1, 1992, which shall include expected force structure and levels for such period, expected installation requirements for such period, a budget plan for such period, the cost savings expected to be realized through realignments and closures of military installations during such period, an economics model to identify the critical local economic sectors affected by proposed closures and realignments of military installations and an assessment of the economic impact in each area in which a military installation is to be realigned or closed.

[SEC. 9061. No more than $50,000 of the funds appropriated or made available in this Act shall be used for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and Senate that such a relocation is required in the best interest of the Government: *Provided further*, That no funds appropriated or made available in this Act shall be used for the relocation into the National Capital Region of the Air Force Office of Medical Support located at Brooks Air Force Base.]

SEC. 9061. Notwithstanding any other provision of law, each contract awarded by the Department of Defense in fiscal year 1993 for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section in the interest of national security.

[SEC. 9062. The Secretary of Defense shall ensure that at least 50 percent of the Joint Service Missile Mission is in place at Letterkenny Army Depot by the time Systems Integration Management Activity and Depot Systems Command are scheduled to relocate to Rock Island Arsenal, Illinois. This provision is in no way intended to affect the move of the 2.5- and 5-ton truck maintenance mission from Letterkenny Army Depot to Tooele Army Depot.]

SEC. 9062. Notwithstanding any other provision of law, of the funds made available by this Act to the Department of the Navy, $500,000, to remain available until September 30, 1993, shall be available only for the expenses of the Kahoolawe Island Commission which is hereby authorized to delay until March 31, 1993, the submission of its final report: Provided, That the Secretary of the Navy shall provide the Commission such assistance and facilities as may be necessary to carry out its proceedings.

SEC. 9063. None of the funds appropriated in this Act shall be used to produce more than two-thirds of the liquid gas requirements in-house at Andersen Air Force Base on Guam. At least one-third of Andersen Air Force Base's liquid gas requirements shall be met by acquiring liquid gas from commercial sources on Guam.

SEC. 9064. During the current fiscal year, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5 or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

(1) is a member of a Reserve component of the armed forces, as described in section 261 of title 10, or the National Guard, as described in section 101 of title 32;

(2) performs, for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(A) Federal service under section 331, 332, 333, 3500, or 8500 of title 10, or other provision of law, as applicable, or

(B) full-time military service for his State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted—

(A) leave under the authority of this section; or

(B) annual leave, which may be granted without regard to the provisions of sections 5519 and 6323(b) of title 5, if such employee is otherwise entitled to such annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, and such leave shall be considered leave under section 6323(b) of title 5.

SEC. 9065. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A-76 if the study being performed exceeds a period of twenty-four months after initiation of such study with respect to a single function activity or forty-eight months after initiation of such study for a multi-function activity.

SEC. 9066. None of the funds appropriated by this Act shall be used to begin closing a military treatment facility unless the Secretary of Defense notifies the Committees on Appropriations of the House of Representatives and the Senate ninety days prior to such action.

SEC. 9067. Funds appropriated by this Act for the American Forces Information Service

shall not be used for any national or international political or psychological activities.

SEC. 9068. None of the unobligated balances available in the National Defense Stockpile Transaction Fund during the current fiscal year may be obligated or expended to finance any grant or contract to conduct research, development, test and evaluation activities for the development or production of advanced materials, unless amounts for such purposes are specifically appropriated in a subsequent appropriations Act.

SEC. 9069. (a) As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b)(1) Consistent with the policy referred to in subsection (a), no Department of Defense prime contract in excess of the small purchase threshold, as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), may be awarded to a foreign person, company, or entity unless that person, company, or entity certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel.

(2) The Secretary of Defense may waive the prohibition in paragraph (1) in specific instances when the Secretary determines that the waiver is necessary in the national security interests of the United States. Within 15 days after the end of each calendar quarter, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this paragraph during such quarter.

(3) This provision does not apply to contracts for consumable supplies, provisions or services intended to be executed for the support of the United States or of allied forces in a foreign country, nor does it apply to contracts pertaining to any equipment, technology, data, or services for intelligence or classified purposes, or the acquisition or lease thereof by the United States Government in the interests of national security.

SEC. 9070. Notwithstanding any other provision of law, where cost effective, all Department of Defense software shall be written in the programming language Ada, in the absence of special exemption by an official designated by the Secretary of Defense.

SEC. 9071. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section [7445 of chapter 74] *4107(g)* of title 38, United States Code *as in existence on October 1, 1990.*

SEC. 9072. None of the funds available to the Department of Defense shall be used for the training or utilization of psychologists in the prescription of drugs, except pursuant to the findings and recommendations of the Army Surgeon General's Blue Ribbon Panel as specified in its February and August 1990 meeting minutes.

SEC. 9073. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the military or civilian medical and medical support personnel end strength at a base undergoing a partial closure or realignment, where more than one joint command is located, below the September 30, 1991 level.

SEC. 9074. Of the funds made available in this Act, not less than $10,596,000 shall be available for the Civil Air Patrol, of which $4,471,000 shall be available for Operation and Maintenance.

SEC. 9075. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 815th Tactical Airlift Squadron of the Air Force Reserve, if such action would reduce the WC-130 Weather Reconnaissance mission below the levels funded in this Act.

SEC. 9076. During the current fiscal year, withdrawal credits may be made by the Defense Business Operations Fund to the credit of current applicable appropriations of an activity of the Department of Defense in connection with the acquisition by that activity of supplies that are repairable components which are repairable at a repair depot and that are capitalized into the Defense Business Operations Fund as the result of management changes concerning depot level repairable assets charged to an activity of the Department of Defense which is a customer of the Defense Business Operations Fund that became effective on April 1, 1992.

SEC. 9077. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to participate as subcontractors and suppliers in the performance of contracts let by the Department of Defense.

(b) During the current fiscal year, a business concern which has negotiated with a military service or defense agency a subcontracting plan for the participation by small business concerns pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) shall be given credit toward meeting that subcontracting goal for any purchases made from qualified nonprofit agencies for the blind or other severely handicapped.

(c) For the purpose of this section, the phrase "qualified nonprofit agency for the blind or other severely handicapped" means a nonprofit agency for the blind or other severely handicapped that has been approved by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O'Day Act (41 U.S.C. 46-48).

[SEC. 9078. There is established, under the direction and control of the Attorney General, the National Drug Intelligence Center, whose mission it shall be to coordinate and consolidate drug intelligence from all national security and law enforcement agencies, and produce information regarding the structure, membership, finances, communications, and activities of drug trafficking organizations: *Provided*, That funding for the operation of the National Drug Intelligence Center, including personnel costs associated therewith, shall be provided from the funds appropriated to the Department of Defense for drug interdiction and counter-drug activities: *Provided further*, That of the funds so appropriated for the fiscal year beginning October 1, 1991, $20,000,000 available for the National Drug Intelligence Center may be available to the Secretary of Defense to reimburse the Department of Justice for support provided to the National Drug Intelligence Center: *Provided further*, That section 8083 of the Department of Defense Appropriations Act, 1992 (Public Law 102-172) is amended by striking out "available only for" and inserting "available until expended only for" in lieu thereof.]

SEC. 9078. None of the funds made available by this Act shall be available for any Military Department of the United States to conduct bombing training, gunnery training, or similar munitions delivery training on the parcel of land known as Kahoolawe Island, Hawaii.

SEC. 9079. During the current fiscal year, the Navy may provide notice to exercise options under the LEASAT program for the next fiscal year, in accordance with the terms of the Aide Memoire, dated January 5, 1981, as amended by the Aide Memoire dated April 30, 1986, and as implemented in the LEASAT contract.

[SEC. 9080. (a) Of the funds appropriated in this Act under the heading Research, Development, Test and Evaluation, Navy, $755,000,000 shall be available until obligated and expended and shall be obligated and expended only for a Phase II Full Scale Engineering Development program for the V-22 aircraft program.

[(b) Of the funds made available in Public Law 102-172, under the heading Research, Development, Test and Evaluation, Navy, $790,000,000 shall be available until obligated and expended and shall be obligated and expended only for the V-22 program as further described in subparagraph (c).

[(c) Funds described in subparagraphs (a) and (b) of this section shall be obligated as follows:

[(1) Not less than $30,000,000 shall be obligated within 30 days of enactment of this Act to continue the existing V-22 Full Scale Engineering Development program.

[(2) Not less than $60,000,000 shall be made available to the Navy for obligation within not less than 90 days of enactment of this Act for payment of any government costs to support the V-22 program.

[(3) Not less than $1,455,000,000 shall be obligated within 90 days of enactment of this Act to commence a Phase II V-22 Full Scale Engineering Development program which provides not less than six production representative new aircraft which will successfully demonstrate the full operational requirements of the Joint Services Operational Requirement (JSOR) not later than July 1, 1999: *Provided*, That the production representative V-22 aircraft shall be produced on tooling which qualifies production design.

[(d) The Secretary of Defense shall provide to the Congress, within 60 days of enactment of this Act, the total funding plan and schedule to complete the definitized Phase II V-22 Full Scale Engineering Development program.

[(e) The Secretary of Defense shall include sufficient funds to complete development, manufacture and operational testing of six production representative aircraft produced under the new Phase II V-22 Full Scale Engineering Development Program described above and to procure sufficient V-22 aircraft to meet the operational requirements of the Marine Corps and other services in all Department of Defense future year planning documents and budget estimates.]

SEC. 9080. None of the funds available to the Department of Defense during the current fiscal year may be obligated or expended to develop for aircraft or helicopter weapons systems an airborne instrumentation system for flight test data acquisition other than the Common Airborne Instrumentation System under development in the Central Test and Evaluation Investment Development program element funded in the "Developmental Test and Evaluation, Defense" appropriations account.

SEC. 9081. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.

[SEC. 9082. None of the funds in this Act shall be obligated for the procurement of

Multibeam Sonar Mapping Systems not manufactured in the United States: *Provided*, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes].

SEC. 9082. Notwithstanding any other provision of law, the Department of Defense is hereby authorized to develop and procure the LANDSAT 7 vehicle.

SEC. 9083. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.

SEC. 9084. Of the funds appropriated by this Act for the Defense Health Program, [amounts as necessary] *$20,000,000* shall be available (notwithstanding the last sentence of section 1086(c) of title 10, United States Code) to continue Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) benefits, until age 65, under such section for a former member of a uniformed service who is entitled to retired or retainer pay or equivalent pay, or a dependent of such a member, who becomes eligible for hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) solely on the grounds of physical disability: *Provided*, That expenses under this section shall only be covered to the extent that such expenses are not covered under parts A and B of title XVIII of the Social Security Act and are otherwise covered under CHAMPUS: *Provided further*, That no reimbursement shall be made for services provided prior to October 1, 1991.

SEC. 9085. During the current fiscal year, the Secretary of Defense may accept burdensharing contributions in the form of money from Japan, the Republic of Korea, and the State of Kuwait for the costs of local national employees, supplies, and services of the Department of Defense to be credited to applicable Department of Defense operation and maintenance appropriations available for the salaries and benefits of national employees of Japan, the Republic of Korea, and the State of Kuwait, supplies, and services to be merged with and to be available for the same purposes and time period as those appropriations to which credited: *Provided*, That not later than 30 days after the end of each quarter of the fiscal year, the Secretary of Defense shall submit to the Congress a report of contributions accepted by the Secretary under this provision during the preceding quarter.

SEC. 9086. During the current fiscal year, obligations against the stock funds of the Department of Defense may not be incurred in excess of [70] *65* percent of sales from such stock funds during the current fiscal year: *Provided*, That in determining the amount of obligations against, and sales from the stock funds, obligations and sales for fuel, subsistence, commissary items, retail operations, the cost of operations, and repair of spare parts shall be excluded: *Provided further*, That upon a determination by the Secretary of Defense that such action is critical to the national security of the United States, the Secretary may waive the provisions of this section: *Provided further*, That if the provisions of this section are waived, the Secretary shall immediately notify the Congress of the waiver and the reasons for such a waiver.

SEC. 9087. [(a)] None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the P-3 squadrons of the [Navy Reserve] *Active Navy* below the levels funded in this Act.

[(b) The Secretary of the Navy shall obligate funds appropriated for fiscal years 1991, 1992, and 1993 for modernization of P-3B aircraft of the Navy Reserve on those P-3B aircraft which the Secretary of the Navy intends to keep in the fleet for more than five years: *Provided*, That the provision of section 1437 of the National Defense Authorization Act, 1991 (Public Law 101-510) shall not be considered in, or have any effect on, making any determination whether such aircraft shall be kept in the fleet for more than five years.]

SEC. 9088. Notwithstanding section 9003 of this Act, of the $100,000,000 appropriated in section 8105A of the Department of Defense Appropriations Act, 1992 (Public Law 102-172), for payment of claims to United States military and civilian personnel for damages incurred as a result of the volcanic eruption of Mount Pinatubo in the Philippines, $35,000,000 shall remain available for obligation until September 30, 1993: *Provided, That in addition to amounts appropriated elsewhere in this Act, $15,000,000 shall be available for obligation for the same purposes stated above in this section until September 30, 1993: Provided further, That an additional $20,000,000 is appropriated to be available only for the relocation of Air Force units from Clark Air Force Base and Navy units from the Subic Bay Navy Base and Cubi Point Naval Air Station.*

[SEC. 9089. None of the funds appropriated in this Act may be obligated or expended for any contract or grant with a university or other institution of higher learning unless such contract or grant is audited in accordance with the Federal Acquisition Regulation and the Department of Defense Federal Acquisition Regulation Supplement or any other applicable auditing standards and requirements and the institution receiving the contract or grant fully responds to all formal requests for financial information made by responsible Department of Defense officials: *Provided*, That if an institution does not provide an adequate financial response within 12 months, the Secretary of Defense shall terminate that and all other Department of Defense contracts or grants with the institution.]

SEC. 9089. Not less than $96,450,000 of the funds appropriated under the heading "Research, Development, Test and Evaluation, Defense Agencies" in title IV of this Act shall be made available as grants to the following institutions in the following amounts for laboratory and other efforts associated with research, development and other programs of major importance to the Department of Defense: Montana College of Science and Technology, $10,000,000; University of Arizona, $5,000,000; University of Connecticut, $3,500,000; Tulane/Xavier Bioenvironmental Hazards Research Center, $3,000,000; University of New Orleans School of Naval Architecture, $5,000,000; St. Norbert College, $3,900,000; Johns Hopkins University, $15,000,000; University of Wisconsin Center for Advanced Propulsion, $15,000,000; John Carroll University, $5,300,000; University of Northern Iowa, $750,000; Medical College of Wisconsin, $15,000,000; University of St. Thomas, St. Paul, Minnesota, $15,000,000: Provided, That the funds made available by this subsection shall be distributed under the terms and conditions established in section 401, as amended, of title IV of Public Law 102-172: Provided further, That the Secretary of Defense shall review the grants made available and specified by this subsection and shall award such amounts as he deems appropriate based on the potential contribution each proposed project may make to the national scientific and technical posture.

[SEC. 9090. (a) Funds appropriated in this Act to finance activities of Department of Defense (DOD) Federally Funded Research and Development Centers (FFRDCs) may not be obligated or expended for an FFRDC if a member of its Board of Directors or Trustees simultaneously serves on the Board of Directors or Trustees of a profit-making company under contract to the Department of Defense unless the FFRDC has a DOD-approved conflict of interest policy for its members.

[(b) Funds appropriated in this Act to finance activities of the Department of Defense (DOD) Federally Funded Research and Development Centers (FFRDCs) may not be obligated or expended for an FFRDC until the reports on FFRDCs required by House Report 102-95, Senate Report 102-154, and House Report 102-328 are submitted to the Committees on Appropriations of the House of Representatives and the Senate.]

SEC. 9090. (a) Funds appropriated in this Act to finance activities of Department of Defense federally-funded research and development centers (FFRDCs) are limited to 10 percent less than the amount appropriated for FFRDCs in fiscal year 1992 and, therefore, are reduced by $204,600,000.

(b) None of the funds appropriated in this Act are available to establish a new FFRDC, either as a new entity, or as a separate entity administered by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other nonprofit entities.

(c) The total amount appropriated to or for the use of the Department of Defense by this Act is reduced by $204,600,000 to reflect savings from the decreased use of non-FFRDC consulting services by the Department of Defense. The Secretary of Defense shall allocate the amount reduced in the preceding sentence and not later than March 1, 1993, report to the Senate and the House Committees on Appropriations how this reduction was allocated among the Services and Defense Agencies: Provided, That this subsection does not apply to the reserve components.

[SEC. 9091. None of the funds appropriated in this Act shall be available to comply with, or to implement any provision issued in compliance with, the August 27, 1984 memorandum of the Deputy Secretary of Defense entitled "Debarment from Defense Contracts for Felony Criminal Convictions".]

SEC. 9091. (a) Of the funds made available by this Act in title III, Procurement, $8,000,000, drawn pro rata from each appropriations account in title III, shall be available for incentive payments authorized by section 504 of the Indian Financing Act of 1974, 25 U.S.C. 1544. These payments shall be available only to contractors which have submitted subcontracting plans pursuant to 15 U.S.C. 637(d)(4)(B), and according to regulations which shall be promulgated by the Secretary of Defense within 90 days of the passage of this Act.

[SEC. 9092. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: *Provided*, That these procurement restrictions shall apply to any and all Federal Supply

Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: *Provided further*, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That these restrictions shall not apply to contracts which are in being as of the date of enactment of this Act.]

SEC. 9092. None of the funds in this or any other Act shall be available for the preparation of studies on—

(a) the feasibility of removal and transportation of unitary chemical weapons from the eight chemical storage sites within the continental United States: Provided, That this prohibition shall not apply to non-stockpile material in the United States or to studies needed for environmental analysis required by the National Environmental Policy Act;

(b) the potential future uses of the nine chemical disposal facilities other than for the destruction of stockpile chemical munitions and as limited by section 1412(c)(2), Public Law 99-145: Provided, That this prohibition does not apply to future use studies for the CAMDS facility at Tooele, Utah.

SEC. 9093. Notwithstanding any other provision of law, no more than fifteen percent of the funds available to the Department of Defense for sealift may be used to acquire, through charter or purchase, ships constructed in foreign shipyards: *Provided*, That ships acquired as provided above shall be necessary to satisfy the shortfalls identified in the Mobility Requirements Study: *Provided further*, That any work required to convert foreign built ships acquired as provided above to United States Coast Guard and American Bureau of Shipping standards, or conversion to a more useful military configuration, must be accomplished in United States domestic shipyards[: *Provided further*, That none of the funds shall be used to purchase bridge or machinery control systems, or interior communications equipment, for sealift ships unless the system or equipment is manufactured in the United States or more than half the value in terms of cost has been added in the United States: *Provided further*, That the Secretary of the military department responsible for such procurement of bridge or machinery control systems, or interior communications equipment, may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes].

SEC. 9094. For the purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services, the Committees on Appropriations, the Committee on Appropriations, subcommittees on Defense of the Senate and the House of Representatives.

SEC. 9095. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: *Provided*, That the [Secretary] *Defense Contract Audit Agency* shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: *Provided further*, That Office of Management and Budget Circular A-76 shall not apply to competitions conducted under this section.

SEC. 9096. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 1993. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 9097. None of the funds appropriated or made available in this Act or any Act making appropriations for the Department of Defense during the current fiscal year may be obligated for procurement of ball bearings or roller bearings other than in accordance with the provisions of subpart 208.79 of the Defense Federal Acquisition Regulation Supplement (DFARS) as promulgated effective on July 11, 1989.

(TRANSFER OF FUNDS)

SEC. 9098. Notwithstanding any other provision of law, $82,000,000 made available in the fiscal year 1991 Department of Defense Appropriations Act (Public Law 101-511) for "Aircraft Carrier Service Life Extension Program" under the heading "Shipbuilding and Conversion, Navy, 1991/1995" shall be transferred to "Operation and Maintenance, Navy" for a large scale industrial availability, presumed to be 24 months, of the USS JOHN F. KENNEDY at the Philadelphia Naval Shipyard.

[SEC. 9099. (a) Within the funds made available to the Air Force under title II of this Act, the Air Force shall use such funds as necessary, but not to exceed $23,270,000, to execute the cleanup of uncontrolled hazardous waste contamination affecting the Sale Parcel at Hamilton Air Force Base, in Novato, in the State of California.

[(b) In the event that the purchaser of the Sale Parcel exercises its option to withdraw from the sale as provided in the Agreement and Modification, dated September 25, 1990, between the Department of Defense, the General Services Administration, and the purchaser, the purchaser's deposit of $4,500,000 shall be returned by the General Services Administration and funds eligible for reimbursement under the Agreement and Modification shall come from the funds made available to the Department of Defense by this Act.

[(c) The purchase rights under the purchase contract for the Sale Parcel may be assigned to any financially qualified entity, as determined in accordance with existing GSA procedures. The purchaser's withdrawal and reimbursement rights under the Agreement and Modification shall be assigned to any assignee of the purchase rights under the purchase contract for the Sale Parcel (including the purchaser's lenders). The purchaser shall be permitted to purchase the Sale Parcel in stages, and the purchaser's withdrawal and reimbursement rights shall survive pro rata with respect to any portion of the Sale Parcel not purchased.

[(d) Notwithstanding any other provision of law, the Air Force shall be reimbursed for expenditures in excess of $15,000,000 in connection with the total clean-up of uncontrolled hazardous waste contamination on the aforementioned Sale Parcel from the proceeds collected upon the closing of the Sale Parcel.

[(e) Notwithstanding any other provision of law, the Department of Defense shall convey the Building 442 parcel, the Building 467 parcel, the former P.O.L. storage parcel and the two parcels carved out of the easternmost portion of the Sale Parcel (all of which parcels are contiguous to and surrounded by the Sale Parcel), as well as easements for the location of a temporary flood control levee around portions of the Sale Parcel and such other easements as the Secretary of the Army shall deem appropriate, to the purchaser of the Sale Parcel, without restrictions. The conveyances contemplated by this section shall be for cash and/or interests in real property at least equal in value (as determined by the Secretary of the Army) to the land and interests in real property conveyed by the United States.

[(f) The exact acreage and legal description of the property to be conveyed or exchanged under this section shall be determined by surveys that are satisfactory to the Secretary of the Army. The costs of such surveys shall be borne by the purchaser.]

SEC. 9099. Section 112(e)(1) of title 32, United States Code, is amended by inserting "or otherwise implementing" immediately after "administering".

SEC. 9100. Notwithstanding any other provision of law, the Secretary of Defense may, when he considers it in the best interest of the United States, cancel any part of an indebtedness, up to $2,500, that is or was owed to the United States by a member or former member of a uniformed service if such indebtedness, as determined by the Secretary, was incurred in connection with Operation Desert Shield/Storm: *Provided*, That the amount of an indebtedness previously paid by a member or former member and cancelled under this section shall be refunded to the member.

(TRANSFER OF FUNDS)

[SEC. 9101. During the current fiscal year, not to exceed $60,500,000 of cash balances in the Defense Business Operations Fund shall be transferred to appropriations of the Department of Defense which are available for energy conservation improvement projects under the Department of Defense Energy

Conservation Improvement Program: *Provided*, That the authority to make transfers pursuant to this section is in addition to any other transfer authority provided by this Act.]

SEC. 9101. In addition to any other transfer authority contained in this Act, $1,371,800,000 from the Defense Business Operations Fund shall be transferred to appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred, as follows: $456,687,000 to Operation and Maintenance, Army; $299,167,000 to Operation and Maintenance, Navy; $20,448,000 to Operation and Maintenance, Marine Corps; $402,479,000 to Operation and Maintenance, Air Force; $30,038,000 to Operation and Maintenance, Defense Agencies; $9,442,000 to Operation and Maintenance, Army Reserve; $14,924,000 to Operation and Maintenance, Navy Reserve; $754,000 to Operation and Maintenance, Marine Corps Reserve; $15,844,000 to Operation and Maintenance, Air Force Reserve; $31,307,000 to Operation and Maintenance, Army National Guard; $39,830,000 to Operation and Maintenance, Air National Guard; and $50,880,000 to the Defense Health Program.

SEC. 9102. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

SEC. 9103. The Secretary of Defense is authorized to provide optional summer school programs in addition to the programs otherwise authorized by the Defense Dependents Education Act of 1978 (Public Law 95-561), and to charge a fee for participation in such optional education programs. Optional summer school program fees shall be made available for use by the Secretary to defray the costs of summer school operations.

SEC. 9104. Unobligated balances of the funds appropriated in the Department of Defense Appropriations Act, 1992 (Public Law 102-172) under the headings "World University Games" and "Summer Olympics" in title II of that Act shall, notwithstanding section 8003 of that Act, remain available for obligation until September 30, 1993.

[(TRANSFER OF FUNDS)

[SEC. 9105. During the current fiscal year, the Secretary of Defense may transfer such funds as are available in the National Defense Stockpile Transaction Fund to the appropriation "Environmental Restoration, Defense".]

SEC. 9105. (a) None of the funds appropriated by this Act may be obligated or expended for any program, project, sub-project, or activity which is accomplished under a "Limited Dissemination (LIMDIS)" security control method until the Secretary of Defense submits, to the Congressional defense committees, a report containing:

(1) annual costs in the fiscal years 1994-1999 Future Years Defense Program, and total costs;

(2) appropriation account and program element or line item;

(3) content and military justification; and

(4) acquisition milestones and schedule through completion.

(b) The information in the report required by subsection (a) above shall be provided for each program, project, sub-project, or activity accomplished under the LIMDIS security control method during fiscal years 1990-1993, and for each such effort to be undertaken in fiscal year 1994.

(c) The report required by subsection (a) above shall be submitted no later than the date upon which the fiscal year 1994 Department of Defense budget request is provided to Congress.

SEC. 9106. After December 31, 1992, voluntary separation incentives payable under 10 U.S.C. 1175 may be paid in such amounts as are necessary from the assets of the Voluntary Separation Incentive Fund established by section 1175(h)(1).

[(INCLUDING TRANSFER OF FUNDS)

[SEC. 9107. Amounts deposited during fiscal years 1992 and 1993 to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2) (A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.]

SEC. 9107. Funds appropriated under Title II, Operation and Maintenance, may be used to purchase items not exceeding $25,000 for each item.

[SEC. 9108. None of the funds available to the Department of Defense in this Act may be used to award a contract for the procurement of four-ton dolly jacks if such equipment is or would be manufactured outside the United States of America and would be procured under any contract, agreement, arrangement, compact or other such instrument for which provisions including price differential provisions of the Buy American Act of 1933, as amended, or any other Federal buy national law was waived: *Provided*, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.]

SEC. 9108. Notwithstanding any other provision of law, reimbursements received from the North Atlantic Treaty Organization for the E-3 Airborne Warning and Control System (AWACS) Radar System Improvement Program (RSIP) attributable to development work for fiscal years 1987 through 1992 shall be available to the Air Force until September 30, 1994, for meeting that service's financial commitments for the AWACS RSIP.

[(TRANSFER OF FUNDS)

[SEC. 9109. The Department of Defense may transfer from amounts appropriated to the Department of Defense for fiscal year 1993 not to exceed $650,000,000 to the appropriate accounts within the Department of Defense for the purposes authorized in the Nuclear Threat Reduction Act of 1992: *Provided*, That obligations made pursuant to the transfer authority provided in section 108 of Public Law 102-229 together with obligations made pursuant to the transfer authority provided in this section shall not exceed a total obligation of $650,000,000: *Provided further*, That the Nuclear Threat Reduction Act of 1992 is hereby amended to authorize up to $50,000,000 of the $650,000,000 in transfer authority to be used for the Multilateral Nuclear Safety Initiative announced in Lisbon, Portugal on May 23, 1992: *Provided further*, That the transfer authority provided in this section shall be in addition to any other transfer authority contained in this Act.]

SEC. 9109. None of the funds available to the Air Force may be obligated or expended for the purpose of modifying existing or of procuring any additional F-16 aircraft until and unless the Secretary of the Air Force has reported to the Committee on Appropriations of the Senate that the Air Force has initiated compliance with the provisions of Conference Report 102-328 regarding the equipping of Air National Guard units with the F-16 C/D Block 40 aircraft.

[(TRANSFER OF FUNDS)

[SEC. 9110. The Secretary of Defense may transfer from amounts appropriated to the Department of Defense for fiscal year 1993 or from balances in working capital funds not to exceed $55,000,000 to the appropriate accounts within the Department of Defense for the purposes authorized in section 109 of Public Law 102-229: *Provided*, That obligations made pursuant to the transfer authority provided in section 109 of Public Law 102-229 together with obligations made pursuant to the transfer authority provided in this section shall not exceed a total obligation of $115,000,000: *Provided further*, That the transfer authority provided in this section shall be in addition to any other transfer authority contained in this Act.]

SEC. 9110. Of the funds appropriated under this Act for Operation and Maintenance, Defense Agencies, not less than $25,000,000 shall be made available only for Project PEACE.

[SEC. 9111. (a) None of the funds appropriated or made available in this Act shall be used for the procurement of high purity quartz yarn or fiber, or for any item manufactured from such yarn or fiber or from fused or synthetic quartz rods used to produce high purity quartz yarn or fiber, if such yarn, fiber or rods are not produced in the United States: *Provided*, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

[(b) The Secretary of Defense shall ensure that high purity quartz yarn or fiber produced by domestic sources established by previously appropriated funds for the Defense Production Act are tested for qualification for use or incorporation in the production of weapon systems and in weapon development programs. Systems qualification tests associated with qualifying domestically produced high purity quartz yarn or fiber shall be paid by the responsible weapons system program office.]

SEC. 9111. (a) The Secretary of Defense shall impose recoupment charges on the sale, for military or commercial purposes, to non-U.S. Government purchasers, of defense articles for a proportionate amount of any nonrecurring costs of research, development, and production of major defense equipment developed with U.S. Government funds, and for the licensing of others to produce major defense equipment, unless a nonrecurring cost recoupment charge exemption is available as provided in subsection (c).

(b) Nonrecurring cost charges shall be based on the amount of the DoD nonrecurring investment in an item.

(c) A nonrecurring cost recoupment charge shall not apply when a waiver has been approved by the Secretary of Defense in accordance with Public Law 90-629, as amended by later statute, and the Secretary has notified the congressional defense committees thirty days in advance of granting the waiver.

(d) Notwithstanding any other provision of law, funds received through the imposition of nonrecurring cost recoupment charges shall be available to the Department of Defense until September 30, 1994, to fund research, development, test and evaluation activities in fiscal years 1993 and 1994 as established under the terms and conditions of this Act.

(e) The terms "defense articles" and "major defense equipment" are as defined in Section 47 of Public Law 90-629, as amended by later statute.

(f) Funds appropriated in this Act for research, development, test and evaluation are reduced by $178,000,000 to reflect the imposition of recoupment charges as required in this section.

[SEC. 9112. In order to maintain an electric furnace capacity in the United States, preference for the purchase of chromite ore and manganese ore authorized for disposal from the National Defense Stockpile shall be given to domestic producers of high carbon ferrochromium and high carbon ferromanganese—

[(A) whose primary output during the three preceding years has been ferrochromium or ferromanganse; and

[(B) who guarantee to use the chromite and manganese ore for domestic purposes.]

SEC. 9112. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 9113. (a) None of the funds available to the Department of Defense may be used to implement Defense Management Report Decision No. 944, dated December 9, 1991, concerning Conventional Ammunition, or any revision or successor document, or to carry out any implementing instruction for said directive, revision, or successor document, or to implement any other document of any kind pertaining to conventional ammunition which has the objective of financing conventional ammunition out of any funds other than funds appropriated or available for procurement of ammunition *for fiscal year 1993 or thereafter.*

(b) The fiscal year 1994/1995 budget request for the Department of Defense, as well as all justification material and other documentation supporting the fiscal year 1994/1995 Department of Defense request shall be prepared and submitted to the Congress as if subsection (a) of this provision were effective with regard to fiscal year 1994/1995. Such budget request, budget material, and budget documentation shall be prepared using the practices and policies followed in preparation of the fiscal year 1992/1993 budget.

[SEC. 9114. None of the funds available to the Department of Defense may be obligated or expended for an Abrams tank upgrade program that does not first modify 105mm M1 tanks to a 120mm M1A1, or higher, tank configuration.]

SEC. 9114. Notwithstanding any other provision of law, funds received from the foreign military sales of tanks during fiscal year 1990 and 1991, and from future sales of such tanks, may be used, and are available until expended, only for the upgrade of M1 series tanks to the M1A2 configuration.

[SEC. 9115. During the current fiscal year, no funds available to the Department of Defense shall be available in connection with any action within the Department of Defense which would support, or could lead directly to, the purchase or acquisition of LTV Aerospace and Defense Company by any foreign person: *Provided*, That, notwithstanding any other provision of law or any agreement to the contrary, no foreign person may purchase or otherwise acquire the LTV Aerospace and Defense Company. For purposes of this section, the term "foreign person" means any foreign organization, corporation, or individual resident in a foreign country, or any domestic or foreign organization, corporation, or individual, that is owned or controlled by the foreign organization, corporation, or individual.]

SEC. 9115. None of the funds appropriated by this Act shall be used for the support of any nonappropriated fund activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States, unless such malt beverages and wine are procured in that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: Provided, That in the case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: Provided further, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages for military installations in States which are not contiguous with another State: Provided further, That alcoholic beverages other than wine and malt beverages in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.

[SEC. 9116. During the current fiscal year, none of the funds available to the Department of Defense may be used to procure or acquire handguns or handgun ammunition unless such handguns are the M9 9mm Department of Defense standard handgun or ammunition for such handguns.]

SEC. 9116. Of the funds appropriated to the Department of Defense for Operation and Maintenance, Defense Agencies, not less than $8,000,000 shall be made available only for the mitigation of environmental impacts on Indian lands resulting from Department of Defense activities: Provided, That the Secretary of Defense shall first enter into an agreement with the Administration for Native Americans on the obligation of these funds.

SEC. 9117. If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall debar the person from contracting with the Federal Government for a period of not less than three years and not more than five years. For purposes of this section, the term "debar" has the meaning given that term by section 2393(c) of title 10, United States Code.

[SEC. 9118. During the current fiscal year, appropriations available to the Department of Defense may be used to reimburse a member of a reserve component of the Armed Forces who is not otherwise entitled to travel and transportation allowances and who occupies transient government housing while performing active duty for training or inactive duty training: *Provided*, That such members may be provided lodging in kind if transient government quarters are unavailable as if the member was entitled to such allowances under subsection (a) of section 404 of title 37, United States Code: *Provided further*, That if lodging in kind is provided, any authorized service charge or cost of such lodging may be paid directly from funds appropriated for operation and maintenance of the reserve component of the member concerned.]

SEC. 9118. Subsection (d) of section 406 of title 37, United States Code is amended by striking out "or" at the end of paragraph (1); by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and by adding after paragraph (2) the following new paragraph: "(3) is involuntarily separated from active duty during the five-year period beginning on October 1, 1990."

[SEC. 9119. During the current fiscal year, funds appropriated by this Act may be used for the civilian pay, allowances, and benefits of a National Guard technician who serves on active duty under section 672 (b) or (d) of title 10 (other than active duty during a period of war or national emergency declared by the President or Congress) for participation outside the United States in airlift or refueling operations, and requests and is granted leave under the authority of this section. A technician described in this section may be granted leave without loss of pay, time, or performance or efficiency rating for each day, not to exceed 44 days in a calendar year, of such duty, except that an amount (other than a travel, transportation, or per diem allowance) received by a technician for military service as a member of the National Guard for a period for which the technician is on leave under this section shall be credited against the pay payable with respect to his civilian position for that period. Nothing in this section shall prohibit a technician granted leave under this section who is ordered with his consent to active duty without pay as authorized by 10 U.S.C. 683 from receiving his full civilian pay and benefits.]

SEC. 9119. Paragraph (1) of subsection (c) of section 404 of title 37, United States Code, is amended by striking "one year" and inserting in lieu thereof "two years".

[SEC. 9120. The Secretary of Defense shall enter into negotiations with a uniformed services treatment facility described in section 911(c) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(c)), for the purpose of arranging for the facility to assume operation of the Silas B. Hays Army Community Hospital at Fort Ord, California, in a manner consistent with the managed-care delivery and reimbursement model required under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1587). Upon completion of the negotiations, the Secretary shall consider the hospital to be a satellite facility of the uniformed services treatment facility, as described in section 721(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1405), and designate the hospital as a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code. The Secretary shall complete the negotiations and make the designation not later than September 30, 1993.]

SEC. 9120. For fiscal year 1993, the total amount appropriated to fund the Uniformed Services Treatment Facilities program, operated pursuant to section 911 of Public Law 97-99 (42 U.S.C. 248c), is limited to $230,000,000, of which not more than $207,130,000 may be provided by the funds appropriated by this Act.

[SEC. 9121. None of the funds appropriated by this Act or made available to the Department of Defense shall be available to operate, maintain and pay the salaries of the employees assigned or detailed to the Defense Printing Service Management Office.]

SEC. 9121. None of the funds available in this Act may be used to support in any manner, including travel or other related expenses, the "Tailhook Association": Provided, That investigations by the Secretary of the Navy or consultation with the Tailhook Association are not prohibited by this provision.

[SEC. 9122. During the current fiscal year, not more than $190,055,000 of the funds appropriated by this Act or available to the Department of Defense shall be available for paying the Administrator of the General Services Administration charges established pursuant to section 210(j) of the Federal Property Administrative Services Act of 1949, as amended, (40 U.S.C. 490(j)) for space and services: *Provided*, That upon a determination by the Secretary of Defense that such action is necessary to meet the needs of the Department of Defense for space and services, upon notification to the Congress, obligations and expenditures in addition to the amount specified in this section may be incurred in appropriations available to the Department of Defense and transfers may be made between working capital funds of the Department of Defense and appropriations for operation and maintenance to the extent necessary for such obligations and expenditures.]

SEC. 9122. None of the funds appropriated or made available in this Act or any prior Acts shall be obligated or expended to implement the United States Army Corps of Engineers Reorganization Study until such reorganization proposed is specifically authorized by law after the date of enactment of this Act.

[SEC. 9123. As of September 1, 1993, none of the funds appropriated by this Act or made available to the Department of Defense shall be available for payment of the compensation of members of the Senior Executive Service assigned to the Department of Defense in excess of 95 percent of such personnel actually assigned to or serving in, the Department of Defense on September 30, 1992: *Provided*, That in making any reduction in the number of such personnel that may be required pursuant to this section the percentage of reductions to career and non-career Executive Service positions shall be applied so that an equal percentage of the reductions to the total number of individuals assigned to such positions on September 30, 1992 shall be equal.]

SEC. 9123. The Department of Defense shall reduce the authorized number of Senior Executive Service (SES) positions by a percentage equivalent to the percentage reduction in its civilian employment during fiscal year 1993, which percentage shall be applied against the total number of SES positions authorized the Department of Defense by the Office of Personnel Management for fiscal year 1993: Provided, That such percentage reductions shall be applied so that the ratio of career SES positions to non-career SES positions in the Department shall remain the same.

[SEC. 9124. During the current fiscal year, supplies, equipment, and material, of a total value not to exceed the amounts specified, shall be issued from the Defense Business Operations Fund, without a requirement for reimbursement, as follows: to the Army, $1,486,000,000; to the Navy, $63,000,000; to the Marine Corps, $39,000,000; and to the Air Force, $448,000,000.

[SEC. 9125. None of the funds in this Act shall be used by the Department of Defense or Navy for consolidation of the Naval Biodynamics Laboratory until 90 days after the General Accounting Office has submitted a report to the Committees on Appropriations on the Department of Defense or service plans to consolidate research and development laboratories.

[SEC. 9126. The Comptroller General of the United States, in conjunction with the Department of the Navy, shall issue a report no later than July 1, 1992, on the Navy's accounting practices at its nuclear shipyards. The report shall include a detailed review of the Navy's current plan for the handling and disposal of all nuclear materials and radioactively contaminated materials of nuclear powered vessels. The report shall include cost evaluations and projections for the next twenty years based on the current Navy plan.

[SEC. 9127. During the current fiscal year, from funds available in this Act, the Director of the Air National Guard shall establish a Command, Control, Communications and Intelligence planning office manned by three full-time Air Guard officers in the rank of O-6, O-5, and O-4: *Provided*, That these officers shall be in addition to the strengths authorized in section 524 of title 10, United States Code.

[SEC. 9128. As of September 1, 1993, none of the funds appropriated by this Act shall be available for payment of the compensation of personnel assigned to or serving in the National Foreign Intelligence Program in excess of 98 percent of such personnel actually assigned to or serving in the National Foreign Intelligence Program on September 30, 1992: *Provided*, That in making any reduction in the number of such personnel that may be required pursuant to this section, the percentage of reductions to Senior Intelligence Service positions shall be equal to or exceed the percentage of reductions to non-Senior Intelligence Service positions: *Provided further*, That in making any reduction in the number of such personnel that may be required pursuant to this section, the percentage of reductions to positions in the National Capital Region shall be equal to or exceed the percentage of reductions to positions outside of the National Capital Region.

[SEC. 9129. None of the funds appropriated in this Act or made available to the Department of Defense may be used to deposit into the Pentagon Reservation Maintenance Revolving Fund for the purpose of renovation, construction or any other purpose other than the actual and necessary day-to-day operation (including health and safety requirements) of the Pentagon Reservation or for the performance of engineering studies/design for renovation of the existing Pentagon structure. Not later than March 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services and Appropriations of the House and Senate a report setting forth (1) a revised renovation program for the Pentagon Reservation limited to concerns of health and safety; and (2) a construction schedule with an associated cost estimate based upon normal construction procedures which eliminates additional costs for expediting construction.

[SEC. 9130. None of the funds appropriated or otherwise made available in this Act may be used to promulgate or enforce the policy of the Department of Defense enunciated in the memorandum for the Secretaries of the Military Departments that became effective October 1, 1988, prohibiting non-funded abortions in military medical treatment facilities outside the continental United States, or any other policies having the same substance.

[SEC. 9131. Amounts appropriated in this Act for operation and maintenance for the Navy (for the payment of severance pay to foreign nationals employed by the Department of Defense in the Republic of the Philippines) shall be reduced by $52,000,000.

[SEC. 9132. The total amount appropriated to or for the use of the Department of Defense by this Act is reduced by $500,000,000 to reflect savings with respect to secondary excess inventory items of the Department of Defense. The Secretary of Defense shall allocate the amount reduced in the preceding sentence and not later than March 1, 1993, report to the Senate and the House Committees on Appropriations and Armed Services how this reduction was allocated among the Services and Defense Agencies: *Provided*, That this section does not apply to the reserve components.

[SEC. 9133. The total amount appropriated to or for the use of the Department of Defense by this Act is reduced by $200,000,000 to reflect savings resulting from the decreased use of consulting services by the Department of Defense. The Secretary of Defense shall allocate the amount reduced in the preceding sentence and not later than March 1, 1993, report to the Senate and the House Committees on Appropriations how this reduction was allocated among the Services and Defense Agencies: *Provided*, That this section does not apply to the reserve components.]

SEC. 9124. The Classified Annex prepared by the Committee of Conference to accompany the conference report on the bill H.R. 5504 of the One Hundred Second Congress and transmitted to the President is hereby incorporated into this Act: Provided, That the amounts specified in the Classified Annex are not in addition to amounts appropriated by other provisions of this Act: Provided further, That the President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the Classified Annex, within the executive branch of the Government.

SEC. 9125. Upon enactment of this Act, the Secretary of Defense shall make the following transfers of funds: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, and for the same time period as the appropriation from which transferred: Provided further, That the amounts shall be transferred between the following appropriations in the amounts specified:

From:

Under the heading, "Weapons Procurement, Navy, 1992/94":

Torpedoes and Related Equipment, $8,900,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1986/90":

LHD-1 amphibious assault ship program, $8,900,000;

From:

Under the heading, "Weapons Procurement, Navy, 1992/94":

Torpedoes and Related Equipment, $16,300,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1987/91":

AOE fast combat support ship program, $16,300,000;

From:

Aircraft Procurement, Navy, 1991/93, $131,800,000;

Aircraft Procurement, Navy, 1992/94, $37,400,000;

Under the heading, "Weapons Procurement, Navy, 1992/94":

Torpedoes and Related Equipment, $63,900,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1988/92":

CVN nuclear aircraft carrier program, $229,500,000;

LHD-1 amphibious assault ship program, $3,600,000;

From:

Aircraft Procurement, Navy, 1992/94, $85,900,000;

Under the heading, "Shipbuilding and Conversion, Navy, 1992/96":

AOE combat support ship program, $200,000,000;

DDG-51 destroyer program, $66,300,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1989/93":

TRIDENT ballistic missile submarine program, $2,100,000;

SSN-688 attack submarine program, $8,800,000;

SSN-21 attack submarine program, $284,800,000;

DDG-51 destroyer program, $41,300,000;

MHC coastal mine hunter program, $11,900,000;

AOE combat support ship program, $3,300,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1992/96":

T-AGOS surveillance ship program, $27,400,000;

MHC coastal mine hunter program, $25,500,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1990/94":

TRIDENT ballistic missile submarine program, $5,900,000;

SSN-688 attack submarine program, $6,800,000;

DDG-51 destroyer program, $5,400,000;

ENTERPRISE refueling/modernization program, $21,000,000;

Oceanographic ship program, $9,900,000;

AOE combat support ship program, $3,900,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1991/95":

DDG-51 destroyer program, $19,800,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1991/95":

TRIDENT ballistic missile submarine program, $19,800,000;

From:

Under the heading, "Shipbuilding and Conversion, Navy, 1992/96":

T-AGOS surveillance ship program, $112,200,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1991/95":

TRIDENT ballistic missile submarine program, $22,100,000;

SSN-21 attack submarine program, $90,100,000;

From:

Under the heading,"Shipbuilding and Conversion, Navy, 1992/96":

T-AGOS surveillance ship program, $8,900,000;

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1992/96":

Oceanographic ship program, $8,900,000.

SEC. 9126. (a) Subsection (a) of section 166a of title 10, United States Code, is amended in the first sentence by striking out "funds, upon request," and all that follows through the period and inserting in lieu thereof "funds to the commander of a combatant command, upon the request of the commander, or to the Director of the Joint Staff with respect to an area or areas not within the area of responsibility of a commander of a combatant command.".

(b) Subsection (b)(7) of such section is amended by inserting "(including transportation, translation, and administrative expenses)" before the period at the end.

(c) Subsection (c) of such section is amended by inserting before the period at the end the following:

"(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the CINC Initiative Fund or the provision of funds to the Director of the Joint Staff under subsection (a), should give priority consideration to—

"(1) requests for funds to be used for activities that would enhance the war fighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds; and

"(2) the provision of funds to be used for activities with respect to an area or areas not within the area of responsibility of a commander of a combatant command that would reduce the threat to, or otherwise increase, the national security of the United States.".

(d) Subsection (e)(1)(C) of such section is amended to read as follows:

"(C) not more than $5,000,000 may be used to provide military education and training (including transportation, translation, and administrative expenses) to military and related civilian personnel of foreign countries as authorized by subsection (b)(7).".

SEC. 9127. Notwithstanding any other provision of law, any statutorily-required analysis of the impact on the defense technology and industrial base of terminations and significant reductions of major research and development programs and procurement programs of the Department of Defense shall address only those actions recommended by the Defense Department in its annual budget request and amendments thereto, supplemental requests, or proposed rescissions.

SEC. 9128. (a) Notwithstanding any other provision of law, funds appropriated under this Act for the Department of Defense shall be made available for the Overseas Workload Program: Provided, That a firm of any member nation of the North Atlantic Treaty Organization (NATO) or of any major non-NATO ally or countries in the European Theater, shall be eligible to bid on any contract for the maintenance, repair, or overhaul of equipment of the Department of Defense to be awarded under competitive procedures as part of the program of the Department of Defense known as the Overseas Workload Program.

(b) A contract awarded during fiscal year 1993, or thereafter, to a firm described in subsection (a) may be performed in the theater in which the equipment is normally located or in the country in which the firm is located.

(c) For purposes only of this section, Israel shall be considered in the European Theater in every respect, with its firms fully eligible for nonrestrictive, nondiscriminatory contract competition under the Overseas Workload Program.

(d) No funds appropriated for the Overseas Workload Program for fiscal year 1993 or thereafter shall be used for contracts awarded in fiscal year 1993 or thereafter which have not been opened for competition in a manner consistent with this provision.

SEC. 9129. The total amount appropriated under title III of this Act is reduced by $104,000,000 to reflect savings resulting from lower inflation than budgeted.

SEC. 9130. In addition to amounts appropriated elsewhere by this Act, $200,000,000 is appropriated for the Arms Manufacturing Support Initiative, to remain available until expended: Provided, That funds appropriated under this section may not be available for obligation until authorized.

SEC. 9131. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions to the Johnston Atoll for the purpose of storing or demilitarizing such munitions.

(b) The prohibition in subsection (a) shall not apply to:

(1) any chemical munition withdrawn from the Federal Republic of Germany under a European retrograde program; or

(2) any obsolete World War II chemical munition of the United States found in the World War II Pacific Theater of Operations.

(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.

This Act may be cited as the "Department of Defense Appropriations Act, 1993".

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the Senator from Hawaii [Mr. INOUYE].

PRIVILEGE OF THE FLOOR

Mr. INOUYE. I ask unanimous consent that Houghton Albaugh, John Young, and Diana Kupchella be given floor privileges during the duration of the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that, except for the committee amendment on page 64, line 15, the committee amendments be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. There is no objection, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to en bloc except: committee amendment on page 64, line 15.

Mr. INOUYE. Mr. President, I am pleased to submit the recommendations of the Committee on Appropriations for fiscal year 1993 national defense funding.

This has been a very difficult year for the Committee on Appropriations, particularly for the Subcommittee on Defense Appropriations. The amount of funding in the bill before the Senate, which is $250.4 billion, is considerably below the amounts appropriated last year for defense. The fiscal year 1992 total was $270.1 billion. The bill is some $34 billion below what was appropriated just 2 years ago. Our allocation of budget authority this year is some $14 billion below the ceiling, or cap, agreed upon in the budget summit. We have stayed within the agreed level and the funding we have recommended to the Senate is under our budget allocation.

It has been difficult to accomplish our objectives. Nonetheless, I believe we have met the challenge. We have produced a bill which funds the essential requirements for the defense of our country in the post-Warsaw Pact world. In this bill, we propose measures to preserve the Nation's defense industrial base, and we act to ensure that sufficient funding is provided to fund the research and development programs which will protect the qualitative edge of America's military equipment in combat, whenever and wherever that might occur. Our recommended bill provides funding to keep America's men and women in uni-

form well equipped, well trained, and well led.

Mr. President, I would now like to detail some of our recommendations.

MILITARY PERSONNEL

Both the Senate-passed and the House-passed authorization bills reduce end strength for the active component, as requested, by 98,617 from fiscal year 1992 to fiscal year 1993. Funding levels contained in the committee recommendations recognize this reduction.

For the Reserve components, the President's budget contained end strength reductions of 112,847, with the bulk of the reduction, 92,440, coming from the Army Guard and Army Reserve. The recommendations before the committee "add back" 100,555 of this reduction, allowing a cut of only 12,272 in Reserve component end strength. This is in consonance with the Senate-passed Defense authorization bill.

Mr. President, the funding recommendations for military personnel protect the active and Reserve components from precipitous reductions. In a recommended general provision, we provide a floor for end-strength in the Guard.

I would also note that there are no recommendations for accelerating the draw-down from Europe. Our review indicates that troops are being withdrawn from Europe at rates which already impose hardships on military personnel. Indeed, because of our concern that those returning from Europe face unnecessary hardships, $25 million is added to allow enlisted military personnel more time to find housing when they undergo a permanent change of station.

TITLE II, OPERATION AND MAINTENANCE

In title II, operation and maintenance, we finance the cost of operating and maintaining U.S. Armed Forces, including Guard and Reserve components and Department of Defense agencies. These funds are used to purchase fuel and spare parts for training activities, pay civilian personnel, and repair weapons systems and facilities.

The administration has requested total budget authority of $75.5 billion for operation and maintenance [O&M] programs. In its bill, the House provided $71.7 billion, cutting $3.8 billion from the request. Our recommendations provide a total O&M funding level of $74.0 billion, which is $1.5 billion below the request and $2.3 billion above the House level.

There are several principles which have guided the development of the O&M recommendations.

First, our recommendations contain no adjustments which dictate force structure levels lower than those predicated under the base force.

To support the regional strategy concept adopted by the Joint Chiefs of Staff, the recommendations: First, fully support the unit training operations of the Armed Forces, including full funding for JCS exercises; second, add funding to enhance the mobility of our forces deploying from the United States; third, fully fund operations costs at military installations in the United States and add funding for facilities maintenance at these bases; and fourth, fully fund all airlift and sealift operations programs.

Second, force draw-down plans and fiscal imperatives are fully considered in our recommendations. Generally, adjustments to specific service O&M programs are made when either: The program or funding request is, itself, out-of-step with the ongoing military draw down or, on the other hand, when the funding request is in excess of amounts needed to support the related program. Also, a reduction of $175 million is recommended to encourage greater allied contributions from European governments to support United States forces that will remain on the continent. An additional $175 million is fenced to ensure that U.S. negotiators have an interest in seeing that this happens.

Third, we seek to encourage efficiencies and better management. The recommendations propose a series of adjustments under the heading "Excess Inventory Initiative" which reduce the Department's request for purchasing spare parts and supplies by a total of $3 billion. These reductions are made in light of the continuing problems DOD has had managing its supply system.

Fourth, we support Defense conversion, environmental programs, and disaster relief activities. The recommendations provide $2 billion for Defense conversion programs under "Title 8—Defense Reinvestment for Economic Growth." These conversion programs include R&D activities, which I shall discuss later, and transition assistance for military and civilian workers. Full funding is provided for DOD's Environmental Program.

TITLE III—PROCUREMENT

Mr. President, under the procurement accounts, the committee is concerned with the protection of the Defense industrial base. Accordingly, we recommend actions to various investment programs that recognize the need to decrease the Defense budget, but at the same time, build down investment programs in such a way that the industrial base is maintained in a viable manner.

It is the judgment of the committee that investment programs should not be terminated or reduced beyond a certain level, if that would mean the loss of industrial base assets which would be difficult to reconstitute at a later date. Where possible, the recommendation supports conversion of the industrial base to civilian applications. Some examples of the committee's recommendations to address the industrial base are:

Shipbuilding. We have added $1.1 billion for the construction of an LHD amphibious assault ship to bolster the shipbuilding industry in 1993.

MLRS rockets. We have added $58 million to provide final year funding of a multiyear procurement for 30,000 rockets.

M1 tank upgrade, Bradley fighting vehicle programs. Our recommendation fully funds the M1 to M1A2 upgrade program and provides an additional $150 million to continue the Bradley fighting vehicle program to keep the tracked combat vehicle industrial base warm until the next generation main battle tanks and infantry fighting vehicles start production.

Ammunition. We recommended supporting the Senate-passed armament retooling and manufacturing support [ARMS] initiative, which will restructure the ammunition industrial base to make more efficient, cost effective use of its industrial capacity. This initiative would boost defense readiness, preserve jobs, and form the basis for economic growth in regions affected by Government plant closures.

While still under the procurement title, I would like to discuss our recommendations for various aircraft programs.

First, the F-16 program.

The budget proposed to buy 24 F-16 aircraft for the Air Force in the final procurement of that aircraft. The Senate-passed authorization bill denied the funds to buy any more aircraft. The Senate Armed Services Committee noted that with the force structure reductions now underway in the military, the Air Force has as many F-16 aircraft as it needs. The Senate Armed Services Committee also argued that foreign military sales will be sufficient to keep the production line open. With the recent announcement by President Bush that he will support a sale of 150 F-16 aircraft to Taiwan, their recommendation makes sense.

Second, the C-17 program.

The C-17 is an airlift airplane intended to become the mainstay of air mobility for U.S. forces. The C-17 program, however, is again behind schedule and its prospects for getting back on schedule do not look good. Consequently, the House authorized and appropriated funds to support a production rate of six aircraft in fiscal year 1992, a reduction of two aircraft from the President's request. We join the House in funding six aircraft.

Now, we get to the B-2 bomber program. Last Friday evening, the Senate authorized, by a vote of 53 yeas to 45 nays, funding to complete production of the B-2 bomber.

The recommendation of the Senate Appropriations Committee fully funds the four remaining B-2 aircraft for a total program of 20 aircraft. The House has authorized and approved appropriations for the completion of the B-2 pro-

curement program. Last Friday, the Senate approved funding for the remaining program, now that the President has decided to cap the program at 20 B-2's.

I hope that it will not be necessary to debate this issue again on this bill. The Senate understood the implications of its vote last Friday. We will appropriate the funds for the final four aircraft and that will put an end to this contentious issue.

Our recommendations for Navy aircraft assume reductions in either current or future production rates. For example, F/A-18 production of the C/D model is reduced from 48 to 24 aircraft as recommended in the Senate-passed Defense authorization bill.

TITLE IV: RESEARCH, DEVELOPMENT, TESTS AND EVALUATION

Mr. President, we have now come to the last major division of the bill which I propose to discuss in detail today and that is: title IV—research, development, test, and evaluation.

The largest program under the R&D accounts is also the most problematic. It is the strategic defense initiative. The Pentagon sought $5.3 billion in fiscal year 1993 for the strategic defense initiative [SDI] and theater missile defense initiative [TMDI] programs. We recommend $3.8 billion to establish a more fiscally supportable level and to permit more time for adequate test and evaluation to occur before equipment is fielded.

The committee recommendation is in accord with the funding level authorized by the Senate.

To deal with another contentious set of issues, we propose the creation of a new account "Entitled Tactical Air Modernization, Defense." If all proposed modernization programs were funded, in the next several decades, the Army, Navy, and Air Force would spend almost $300 billion to modernize tactical combat aircraft. The principal programs are the Army Comanche helicopter and the AH-64 Apache Longbow helicopter; the Navy F-18 E/F upgrade and the AX advanced attack aircraft; and the Air Force F-22 advanced tactical fighter.

The services seek $4.195 billion in fiscal year 1993 to develop these aircraft. Due to several concerns, the recommendation deletes the funds sought in the separate service accounts, transfers the programs to OSD, and provides $3.489 billion—the same total as authorized—in a separate appropriations accounts—"Tactical Aviation Modernization, Defense."

The committee has responded to requests for earmarking of funds for university grants in the same manner as the Congress resolved this issue in the fiscal year 1992 rescission bill. That is, we have put these university grants into a single provision granting the Secretary of Defense the discretion to award any particular grant.

We do recommend decreases in several program elements funding DOD-sponsored university research to reduce the rate of growth and to reflect anticipated savings. The recommended bill would include a general provision which sets a ceiling on total fiscal year 1993 Defense spending for federally funded research and development centers at a level 10 percent below the fiscal year 1992 appropriated level and deletes $204.6 million from the RDT&E budget request based on this ceiling. The provision would also delete an amount equal to the FFRDC reduction—$204.6 million—from non-FFRDC consultant services.

Mr. President, surely, as the defense budget declines, we should expect to achieve modest savings in the dollars we provide for federally funded research and development center activities and other consultant services.

This year the committee received a large number of requests for funding of programs and activities which are oriented toward enhancing the manufacturing capability and competitiveness of the U.S. defense industry in both defense related and civilian applications.

The committee now seeks the Senate's support for a new defense conversion initiative, a separate bill title, which totals $2 billion. The recommendation does not earmark specific amounts for specific activities but lists a range of efforts which we think should be considered for such funding. These activities are:

First, programs in the budget request—mainly for manufacturing technology. The recommendation deletes funds sought in the separate military accounts and transfers the projects to the conversion initiative;

Second, Member requests for funding of conversion activities; and

Third, Senate Armed Services Committee dual-use technology initiatives.

Many of these programs are highly technical in nature and often appear to duplicate ongoing efforts. Furthermore, many appear to require further development before they can be considered eligible for funding under the normal DOD research and development accounts. To resolve these questions, we propose that the programs and activities be reviewed by the congressionally created Defense Conversion Commission. The Conversion Commission is tasked to review the proposals and to report back to the Congress before funds are provided.

Mr. President, that concludes my presentation of major recommendations. In a bill of the size and scope of the defense appropriations bill there are many items of particular interest to individual Members. Should there be any specific questions, I am prepared to respond to Members of the Senate. I hope the Members will judge the work of the committee by its achievements and not by what they perceive to be its shortcomings. We have a good bill, a balanced bill, and one which I believe deserves the support of every Member of the Senate.

I remind Members that the classified bill and report annex are available for their review in the secure facility located in the Capitol in S-407. I encourage all Members to review these recommendations.

Mr. President, I thank all Senators, particularly the chairman of the committee, Senator BYRD, for the many courtesies they have extended to me and to the subcommittee as we have worked on this bill. I also wish to thank my good friend from Alaska, Senator STEVENS, for his support, his encouragement, and his willingness to help shoulder the burden of carrying this bill before the committee and the Senate.

Mr. President, I yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the distinguished Senator from Hawaii for his comments and for his summary of the bill that we have presented to the Senate. I do not intend to repeat any of his observations. I want the record to show that I am grateful to him for his cooperation, also, and I want to state to the Senate that this bill is truly a bipartisan bill. It has been reported with bipartisan support between the Senator from Hawaii and myself and our staffs, and also on votes expressed in the Appropriations Committee that this is truly a bipartisan bill and one that deserves prompt and speedy approval by the Senate.

This bill now will continue the decline in real defense spending that we initiated in fiscal year 1988. This bill is more than $20 billion less than the amount that the Congress approved for the Department of Defense last year. Mr. President, if you look at the plan that we presented to the Congress in 1989, about the time that the Berlin Wall collapsed, the trend line for 1993 which is covered by this bill was $100 billion higher than in the bill we have here.

In other words, we really are presenting now a bill that reflects, I think, the public's attitude and certainly the administration's attitude concerning the fact that we can effect significant savings in the Department of Defense, and we have done so.

(Mr. WELLSTONE assumed the chair.)

Mr. STEVENS. At this figure we have presented to the Senate, almost every single facet of the Department of Defense will receive a substantial reduction in funds from its previous amounts under last year's bill, but particularly from the amounts that had been planned for the Department of Defense under the defense plan that was in existence just a few years past.

We are also, I think, in a position where we ought to commend the Sen-

ator from Hawaii and his staff, because for the first time this bill is not only reduced in terms of dollars but in terms of size. It might interest the Senate to know that this bill, 157 pages long, is still a long bill, but it is 50 pages shorter than last year's. It reflects a more conservative attitude as to how we micromanage the Department of Defense also, and I think that is good. It is clear that we are trying to match the cuts in defense with an increased reliance upon those who manage the Department of Defense. I think it is of special importance to us on this Appropriations Committee that we have given great emphasis to the funding for military personnel and for the operation and maintenance of the Department.

The Senator from Hawaii and I each represent offshore States. We represent States where defense spending takes place in terms of training and support for military personnel and their dependents and for retirees. Naturally, we have been quite concerned about that, but basically, this bill is a bill to procure new systems, new equipment, new items of hardware for the Department and all of the services—acquisitions that are not made in our States, but ones that we pay very close attention to. We have, in fact, tried to work closer with the Chairman of the Joint Chiefs and the service Chief of Staff and the theater commanders to ensure that their high priorities are met in the funding recommendations that we have made to the Senate.

Let me point out for the first time in many years that this bill virtually complies with almost every recommendation that was made by the Department of Defense authorization bill that was passed last Friday night, to the recommendations that have come from the Intelligence Committee. In reporting this bill to the floor, the committee made assumptions as to what would happen in terms of those bills that were reported from those other committees, and I must say that we have been fairly successful in our prediction as to what the Senate would do.

This bill does not contain any major disagreement, to my knowledge, with either of the authorizing committees—at least any type of disagreement that ought to take the time of the Senate here on the floor. On major procurement programs, such as the B-2, C-17, F-16, F-18, Navy destroyers, the new nuclear carrier, the Army's tank upgrade plan, Blackhawk helicopters, we support the levels that were established by the authorization committees, in consultation with us, I might add. And so we have a degree of working relationship with the authorization committees that has not prevailed in the past. We have supported the active and Reserve component, end-strength levels sought by the authorization committees.

On SDI, the authorization committee adopted the compromise that we set forth in this bill in the subcommittee and then in full committee last week at the level of $3.8 billion that was confirmed by the Senate, and the vote last week really eliminates the last major disagreement between the authorization and the Appropriations Committees.

So my main purpose is to join with the Senator from Hawaii in asking Members to refrain from fighting the same amendments that we took the time of the Senate to vote on last week.

We have not brought to the floor new issues that should lead to disputes between the authorizing committees and the Appropriations Committee. I hope that Members will recognize that.

And in the interest of seeing to it that both of these bills get through conference in time to be meaningful, I urge the Senate to withhold presenting amendments to this bill that were presented and considered in the authorization bill. If they are in the authorization bill, we will consider them in the conference and we believe the conference on the authorization bill will consider the provisions of this bill similarly.

We have worked to avoid authorizing legislation in this bill. I believe it is the intent of our committee to oppose amendments that are purely legislative in nature. This, however, does not mean that we have the best of all worlds, because we do not have a conference report on the authorization bill yet. It could be that we will develop some problems as the authorization bill goes to conference and this bill goes to conference. But we will do our best as we have, as I have indicated, with the assistance of the full committee chairman, the distinguished President pro tempore, Senator BYRD, to avoid conflict with the Armed Services bill as it goes to conference.

I do believe that it is incumbent upon us to stress that we have intentionally deleted some items that were in the House bill in many cases so that we can confer at length with the Members of the House pertaining to the desires of the House and the priorities of the House as compared to the priorities as expressed by the Members of the Senate.

So we ask the forbearance of the Senate in allowing us to work out these matters and to preserve the flexibility limited as it may be that we have in terms of the conference this year. I mention in particular the V-22. It is fully funded in the House. There is no reason for us to have that argument here, awaiting, as we do, the report on the last unfortunate accident.

We have tried, in other words, to preserve the ability of the Senate to be heard, but not to have controversy brought to the floor of the Senate prematurely.

So I do urge, as the Senator from Hawaii has, that the Senate look at what we have done in this bill. I know that there will be amendments offered to make reductions. But we have terminated a substantial number of programs in this bill and we have imposed severe reductions on other activities with the understanding that this bill will take a little time.

I repeat the urging that the Senator from Hawaii has made to Members to examine the classified annex to this bill that is in S-407.

In closing, Mr. President, I would say this: I think this bill is a people-oriented bill. We have tried to look to the impact upon the people of this country, of those associated with the military and those associated with industrial base that has supported it. We have tried to give the Department of Defense the ability to manage the change that we all know is taking place to make certain that change is done in a way that will harm our people, individually and collectively, the least possible, while at the same time continuing down the path that has been set by the President to reduce the amount of money that is available to be spent in the interest of national defense in this country.

I do think that it would be remiss not to point out that, as I have traveled throughout the country and as a matter of fact throughout the world with the distinguished Senator from Hawaii, the turmoil that we have felt and heard of and seen is actually in the personnel. The personnel of the Department of Defense are still vitally affected by the plans that are being made by the Department and by Congress to reduce the level of spending, to make the changes in the Department of Defense.

And we have been concerned that these changes take place in a way to minimize the dislocations that are caused by the cuts, to ensure that they do not be done in an arbitrary manner, and that withdrawals, such as going on in terms of our presence in Europe, be done in a way that takes into account the individual members and their families, the impact on children in terms of their school assignments, and upon the ability of the economy to absorb and provide housing and provide the opportunity for new employment that these people who are leaving the Department must have.

I can only remember my sadness in hearing about the tent city that existed in Moscow after the commencement of the withdrawal activities of their forces from the Eastern European countries. Certainly, we do not want to see tent cities in this country of people who have been withdrawn from housing constructed with U.S. taxpayers' dollars. We do not have to have that kind of dislocation in terms of our ability to handle the builddown of our Department of Defense and the reduction in

the number of people that we authorize spending to support in that Department.

I know, with the bill that is before the Senate, I can confidently state to the Senate and to the American people that we have taken into account the urgency of reducing Federal spending for the Department of Defense, but we have also taken seriously into account the impact on how those reductions are made on the people who have committed themselves to the defense of this country. It is important to this Senator that the Senate recognize that and work with us to assure that we do consider the people affected by this bill.

I am one who believes the bill should move quickly and we can proceed with other matters. In fact, I think, with the cooperation of the Senate, we can actually complete the work on this bill today.

But I want to hasten to add to my friend from Hawaii that I know that he flew in here from Hawaii all night last night so he could be here. Being one of only two Senators who could fly further to get home than the Senator from Hawaii does, I understand the circumstance and I do hope that the Senate does also.

We would like to have the cooperation of the Members of the Senate to tell us when they will be prepared to offer their amendments and, if possible, to attempt to work out with us agreements on the length of time to be devoted to those amendments.

Again, it is our hope that we can complete this bill tonight, if not tonight, at the very latest tomorrow, so that the Senate may take up the tax bill on Wednesday.

The distinguished Senator from Hawaii and I flew to North Dakota on the occasion of the services for our late departed friend, Senator Burdick, and discussed this matter with the leadership. We know that the time factors are such that we must finish this bill by tomorrow night.

So, again, I urge all Members to work with us. I might say to my friend from Hawaii, we have worked out, I think, with all of the Members from this side of the aisle that will offer amendments, such agreements so we will be able to proceed in an orderly fashion with the amendments that we will bring forward. I hope that all Members of the Senate will do the same thing, enter into time agreements and give us the ability to complete this bill as rapidly as possible.

Again, Mr. President, I thank my friend from Hawaii. It is a sincere privilege and pleasure to be able to work with Senator INOUYE on matters pertaining to national defense, because he has a sincere interest and a complete background in this area and knows the Department as well, I believe, as any man in the Senate.

I thank the Senate.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. I thank my friend from Alaska for his very generous comments. It is true that I have been in the air for—oh, too many hours. Last Friday, many of us went on this side journey to say goodbye to our dear friend, Senator Burdick. And the following morning, together with the Members of the Hawaii delegation, I had to fly back to Hawaii because of the disastrous hurricane, Iniki. And last Friday evening I flew back again, this time to investigate the damage on the island of Oahu, my island.

We also had another activity on Saturday, which was my primary election. Incidentally, it came out all right. So I am back again. But I want to see that this bill is resolved in a manner that we Senators can be proud of.

AMENDMENT NO. 3115

Mr. INOUYE. Mr. President, I send to the desk a series of technical amendments which correct drafting errors in the bill. I ask unanimous consent they be considered en bloc and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 3115.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7 of the Committee reported bill, after line 17, insert " (including Transfer of Funds)";

On page 11 of the Committee reported bill, after line 12, insert " (including Transfer of Funds)";

On page 12 of the Committee reported bill, after line 3, insert " (including Transfer of Funds)";

On page 23 of the Committee reported bill, after line 3, insert " (including Transfer of Funds)";

On page 29 of the Committee reported bill, on line 8, strike " (including Transfer of Funds)";

On page 41 of the Committee reported bill, after line 18, insert " (including Transfer of Funds)";

On page 45 of the Committee reported bill, after line 21, insert " (including Transfer of Funds)";

On page 53 of the Committee reported bill, after line 16, insert " (including Transfer of Funds)";

On page 53 of the Committee reported bill, on line 23, delete "may" and insert "shall" in lieu thereof;

On page 54 of the Committee reported bill, on line 1, delete "may" and insert "shall" in lieu thereof.

On page 54 of the Committee reported bill, on line 2, delete "may" and insert "shall" in lieu thereof.

On page 148 of the Committee reported bill, after line 15, insert " (Transfer of Funds)";

Mr. INOUYE. Mr. President, these are drafting errors, and I hope we can agree to this.

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3115) was agreed to.

Mr. METZENBAUM. Mr. President, will the Senator just explain what the last one did?

Mr. INOUYE. These are the drafting errors.

Mr. METZENBAUM. I thank my colleague.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, when the committee reported this bill, it did so with little time to review the effect of its actions on existing law. Under rule XXVI, the committee is required to state where it repeals or amends existing law unless it waives this requirement in the interest of expediting the business of the Senate. The committee chose to exercise this waiver authority. However, with time to review the recommendations of the committee, we have compiled a list of such actions. I ask unanimous consent that I may insert the following material into the RECORD which shows where the committee bill amends or repeals existing law.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RULE XXVI PARA. 12

Section 166 of Title 10, United States Code, is amended under Section 9126 of the Committee reported bill as shown below:

"(a) CINC INITIATIVE FUND.—From funds made available in any fiscal year for the budget account in the Department of Defense known as the "CINC Initiative Fund," the Chairman of the Joint Chiefs of Staff may provide [funds, upon request, to the commanders of the combatant commands.] *funds to the commander of a combatant command, upon the request of the commander, or the Director of the Joint Staff with respect to an area or areas not within the area of responsibility of a commander of a combatant command.* * * *

"(b)(7) Military education and training to military and related civilian personnel of foreign countries *(including transportation, translation, and administrative expenses)*

["(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the CINC Initiative Fund, should give priority consideration to requests for funds to be used for activities that would enhance the war fighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds.]

(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the CINC Initiative Fund or the provision of funds to the Director of the Joint Staff under subsection (a), should give priority consideration to—

(1) requests for funds to be used for activities that would enhance the air fighting capability, readiness and sustainability of the forces assigned to the commander requesting the funds; and

(2) the provision of funds to be used for activities with respect an area or areas not within the area of responsibility of a commander of a combatant command that would reduce the threat to, or otherwise increase, the national security of the United States. * * *

[“(C) not more than $500,000 may be used to provide military education and training to military and related civilian personnel of foreign countries as authorized by subsection (b)(7).] *(C) not more than $5,000,000 may be used to provide military education and training (including transportation, translation, and administrative expenses) to military and related civilian personnel of foreign countries as authorized by subsection (b)(7).”*

Section 112(e)(1) of title 32, United States Code, is amended under section 9099 of the Committee reported bill as shown below:

“(e) EXCLUSION FROM END-STRENGTH COMPUTATION.—(1) Members of the National Guard on active duty or full-time National Guard duty for the purposes of administering *or otherwise implementing* this section shall not be counted toward the annual end strength authorized for reserves on active duty in support of the reserve components of the armed forces or toward the strengths authorized in sections 517 and 524 of title 10.”

Section 406(d) of title 37, United States Code, is amended under section 9118 of the Committee reported bill as shown below:

“. . . The nontemporary storage of baggage and household effects may not be authorized for a period longer than one year from the date the member concerned is separated from the service, retired, placed on the temporary disability retired list, discharged, or released from active duty, except as prescribed in regulations by the Secretaries concerned for a member who, on that date, or at any time during the one-year period following that date, is confined in a hospital, or is in its vicinity, undergoing medical treatment; or in the case of a member who—

(1) is retired, or is placed on the temporary disability retired list, under chapter 61 of title 10; [or]

(2) is retired with pay under any other law, or, immediately following at least eight years of continuous active duty with no single break therein of more than 90 days, is discharged with separation pay or severance pay or is involuntarily released from active duty with separation pay or readjustment pay[.]; *or*

(3) is involuntarily separated from active duty during the five-year period beginning on October 1, 1990.”

Paragraph (1) of subsection (c) of section 404, title 37, United States Code, is amended under section 9119 of the Committee reported bill as shown below:

“(c)(1) Under uniform regulations prescribed by the Secretaries concerned and as provided in paragraph (2) of this subsection, a member who—

(A) is retired, or is placed on the temporary disability retired list, under chapter 61 of title 10; or

(B) is retired with pay under any other law, or, immediately following at least eight years of continuous active duty with no single break therein of more than 90 days, is discharged with separation pay or severance pay or is involuntarily released from active duty with separation pay or readjustment pay;

may, not later than [one year] *two years from the date he is so retired, placed on that list, discharged, or released, except as prescribed in regulations by the Secretaries concerned, select his home for the purposes of the travel and transportation allowances authorized by subsection (a) of this section.”*

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

AMENDMENT NO. 3116 TO THE COMMITTEE AMENDMENT BEGINNING ON PAGE 64, LINE 15

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 3116.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of line 6, page 65, add the following new section:

“Notwithstanding any other provision of this bill, the amounts appropriated for the programs in support of the intelligence community of the federal government for the National Foreign Intelligence Program shall be reduced by $500,000,000; and the amounts appropriated for the programs in support of the intelligence community of the federal government for the Tactical Intelligence and Related Activities Program shall be reduced by $500,000,000.”

Mr. BUMPERS. Mr. President, this is an amendment that would cut the intelligence budget by $1 billion. I think this is the first time—certainly the first time in my memory—that a proposed cut in the intelligence budget has been made on the floor of the U.S. Senate. And I must say, because of the constraints in what you can say regarding our intelligence budget and our intelligence community and what they do, it is a very difficult thing to talk about on the floor in a way that the colleagues can relate to it.

I remember one time when a missile exploded in central Arkansas. It was a Titan II missile, and it was in 1980, I believe. The reason I know is because I was in Hot Springs, AR, at the time it happened; several people were killed because somebody inadvertently dropped a socket wrench down in the silo and the thing exploded and the warhead on the missile landed, oh, I do not know, 400 or 500 yards away. And somebody called me in Little Rock from the Defense Department to tell me this had happened.

Fritz Mondale was the Democratic candidate for Vice President at the time. He was in Hot Springs that night. That is the reason I was there.

But to get on with the story, I found out that we have a policy of neither admitting or denying that a missile carries a nuclear warhead. And, so far as I know, that is still a rule.

I can remember, it was not until 1978 that we agreed in this country as a matter of policy to admit that we had photo reconnaissance satellites circling the globe, spying on the Soviet Union.

There was not a soul in the Soviet Union, not a soul in the United States, who did not know we had orbiting satellites photographing the Soviet Union. But it was not until 1978 that we decided to admit it.

Mr. President, in that connection I can tell you, if I come back to the Senate next year, one thing that I am going to try to get accomplished is what virtually everybody with a grain of sense believes we ought to do and that is to declassify a whole host of things so we can talk about them.

One of the reasons we cannot get anything done with the intelligence budget is because you cannot put a chart up here, as we normally do—and as I will tomorrow when I am debating the Trident II missile, showing you how many we have, how many we are going to produce, everything you need to know to vote intelligently. You cannot do that on the intelligence budget.

I cannot talk about how much the intelligence budget is because that is classified. I can tell you what the Los Angeles Times says. I can tell you what the Director of the CIA says, in an unclassified letter that he has sent to every Member of the U.S. Senate in the last 4 days. And that is that $1 billion has been cut from the so-called National Foreign Intelligence Program, called NFIP, which is an acronym for National Foreign Intelligence Program. He alludes to the fact that the Intelligence Committees and the Defense Appropriations Committees cut $1 billion out of that program. And an unclassified CIA background paper says it's a 5-percent cut.

If you finished third grade arithmetic you can figure out what the national foreign intelligence budget is. But I am not going to say it on the floor of the Senate. I am just telling you what the unclassified figures are, according to the Central Intelligence Agency.

I want to also say at the outset, I am not here to trash the CIA, Navy Intelligence, Defense Intelligence. I am not here to trash any of our intelligence community, though I must say at times I have been deeply dismayed and chagrined when I got bad information and personally acted on it.

But when the Director of Central Intelligence, Robert Gates, found out that I was going to offer an amendment to cut $1 billion out of the National Foreign Intelligence Program and also out of the tactical intelligence programs, he very kindly called and asked for an appointment. He came to my office. I never met a more engaging person, a more intelligent person. I thoroughly enjoyed our visit. And I have nothing derogatory to say about the Director of Central Intelligence, Robert Gates.

I thoroughly enjoyed my visit with him. But, Mr. President, we are not running a popularity contest; we are running a nation. And we are running a deficit of $400 billion this year. One of the reasons we are running a $400 bil-

lion deficit is because the U.S. Senate can never find any place to cut.

Next week, unless I change my mind, I am going to put a chart here to show the Senate the actions they have taken just on opportunities I have presented to them to cut the deficit. I am going to show the space station as a savings of somewhere between $113 and $200 billion over the next 28 years, and the Senate said no. I am going to show the superconducting super collider, which will be shown as a savings of $20 to $30 billion over the next 25 years, and the Senate said no.

I am going to show a microscopic $1 billion that the Senator from Tennessee and I tried to take out of the strategic defense initiative, and the Senate first said yes, and then it said no. I offered a bill to reform the mining laws of this country, and every single Member of the Senate understood precisely what the issue was: That billions-and-billions of dollars' worth of minerals are being taken off Federal lands for which we receive not one red cent. And I offered an amendment to provide royalties, and a whole host of other reforms in that, that would have meant billions off the deficit, and the Senate said no.

I got 42 votes; that is 6 less than I got the year before last, Mr. President. The deficit is twice as high as it was 2 years ago, and I got six votes less to reform the mining laws and require the mining companies of this country to do what they do when they mine on private lands: Pay a royalty, and clean the mess up.

And today, the Senator from Tennessee [Mr. SASSER], the Senator from New York [Mr. MOYNIHAN], and yours truly come once again to the U.S. Senate pleading, begging, cajoling, saying: For God's sakes, when are we going to start addressing the problem that is uppermost on the minds of the people in this country?

And tonight, about 7 o'clock, and maybe earlier, if we yield back some of our time, the Senate again will say: No; we do not want to cut anything.

The argument that the Director of the Central Intelligence made to me, and that will be made by the opponents of this amendment, will be they have already taken a cut, a billion-dollar cut.

Mr. President, in 1980—and I have the Director's word for this; I am not going to try to verify it or confirm it. Every Senator has a letter in which the Director says that in 1980, 58 percent of the intelligence budget went to spy on the Soviet Union, and he said in a speech in New York that the 1990 figure was still 50 percent.

Mr. SASSER. Will the Senator yield on that?

Mr. BUMPERS. I will be happy to yield.

Mr. SASSER. Will the Senator repeat that? I did not catch that. What percent of the intelligence budget?

Mr. BUMPERS. It took me a while to get used to it, too. In 1980, 58 percent of the intelligence budget went to spy on the Soviet Union. And in 1990 the figure was 50 percent. But following that, the Director, in his letter, also says that in 1993, that figure will be down to 34 percent. Bear in mind that the 58 and 50 percent figures and the 34 percent, Mr. President, is for the Soviet Union, on the one hand; and the Commonwealth of Independent States, which is all the Republics of the former Soviet Union, that will be down to 34 percent.

But now bear in mind, that does not include Czechoslovakia, that does not include anything such as Poland or Hungary or the other Eastern bloc nations that used to be a part of the Warsaw Pact powers. I do not know what it would be, but my guess is that if you took the 34 percent to their budget that they are using to spy on the independent states of the former Soviet Union, and you take what they are using to spy on the nations that used to be a part of the Warsaw Pact powers outside the Soviet Union, you are still looking at 50 percent of the intelligence budget to spy on a situation that used to exist but does not anymore.

We used to spend unbelievable amounts of money spying on East Germany, which is now a part of the German Republic. I do not know why we spend any money spying on them, except to find out who they are shipping weapons to, which they have a strong tendency to do, ship weapons to people that we do not like.

But the argument will be made, as I was saying a moment ago, that the Senate Armed Services Committee, the Defense Appropriations Subcommittee, and the Intelligence Committee have all agreed to a billion-dollar cut, none of it—none of it—out of what we call tactical intelligence [TIARA].

That was not touched in the amendment. So far as I know, all these committees cut about the same amount; is that not correct? All three committees that have any jurisdiction in the Senate over the intelligence budget cut their budget by just about precisely the same amount.

Mr. President, whether we adopt this amendment or not, we will be going to conference with the House and working something out. We will get into one of those secret rooms where we can talk about these various programs and whether they are really necessary.

I am leading off with a debate of both the head and the heart. My head and my heart tells me that there is absolutely no justification to continue a budget at a level as high or higher than it was when Brezhnev was in control of the Soviet Union. I have said, in jest: CNN will give you 15 billion dollars' worth free, what we have been spending $15 billion for.

The Soviet Union has shown the United States where every listening device is in the fatally bugged American Embassy. Everybody knew that embassy was bugged. I heard Gorbachev privately admit to President Reagan and President Bush both that they made a terrible mistake. Once Yeltsin came into power, they carried blueprints—blueprints, Mr. President—over to the American Embassy and said: Here is a blueprint showing you where every listening device is in that embassy. All we can do is apologize.

They cannot repay us for the cost of it because they do not have anything to eat, let alone pay us for the bugs they put in our Embassy. Then they take anybody who wants to through Lubyanka prison. I can remember the few times I have been in the Soviet Union. It is an interesting thing that the Bolshoi Ballet and Lubyanka prison are very close together. Think about the greatest asset the Soviet Union had, namely the Bolshoi Ballet, and a prison where they tortured political dissidents, Lubyanka, almost side by side. But now they will take you on a tour. As a matter of fact, I think they charge American tourists to take them through Lubyanka prison.

Finally, Mr. President, do you know what the Soviet Union wants? They want us to come and dismantle their nuclear weapons. They do not know how to do it. They have never dealt with that. They want us to dismantle their nuclear weapons. And do you know what? We would love to do it, but we are broke.

I am not going to rehash all the reasons we are broke. You know why we are. The Soviet Union bankrupted themselves trying to keep up with us. And, as I said many times, the verdict is out on us.

So here you have an intelligence budget that is as high as it has ever been, and the reason it is as high as it has ever been is because the Soviet Union was there and the Warsaw Pact powers were there, and in the 1980's the intelligence budget, because of communism, went up 100 percent in real terms.

Now the Soviet Union does not exist. The rationale for this massive intelligence budget does not exist. The Warsaw Pact powers are applying for admission to NATO. But tonight when we vote, the Senators will come in here and it will be business as usual: No, no, no, we cannot save $1 billion out of this. We cannot save $1 billion out of anything.

I would like to ask some of my colleagues who are going to vote "no," to tell us during this debate where we are going to start. We cannot cut the space station; we cannot cut the super collider; we cannot cut SDI; we cannot cut the B-2 bomber.

We cannot cut anything. What do you say to people back home when they ask

you about the deficit? I know what they say: I am for a constitutional amendment to balance the budget. I am for line-item veto. I am for anything except facing the music.

So the argument will be made that the Russians are still going to come up the Potomac and get us if we cut $1 billion out of this budget. I promise you, Mr. President, without revealing any figures, this $1 billion cut that I am proposing will not hamper our intelligence community one scintilla, not one iota.

Mr. President, do you know what the interest will be on this $1 billion that we have to borrow if we do not cut it next year? Let me put it this way. Do you know what it will be over the next 30 years? That $1 billion that we are asking you to cut will turn into $3 billion over the next 25 to 30 years in today's dollars.

Now, who here believes that this country can keep borrowing $400 billion a year?

They say, well, a billion. I can remember in the Appropriations Committee when people used to say, well, it is just a billion. Let him have it; he needs that bridge; he needs that dam. It is just $1 billion; let him have it. When I sit in the Appropriations Committee, Mr. President, one of the things I think about is how much in taxes I paid last year, and when they say it is just $1 billion, that is being applied to my taxes for several years to come.

So, Mr. President, if I thought this amendment jeopardized our ability to know all we need to know about everybody else, I would not be offering it. If I thought this jeopardized our defense forces, if I thought this jeopardized our national foreign policy, if I thought it jeopardized anything, I would not be offering it. And nobody will make that argument on the floor of the Senate. Oh, they will hedge around it and they will talk about it, but nobody is going to tell you that we will not be able to cope.

I saw in the paper the other day—I said I was not going to be critical of the CIA or anybody—where the only thing the CIA said they knew about this bank down in Atlanta was what they read in the paper, and they were supplying arms purchases to Iraq.

Mr. SASSER. If the Senator will yield for a question, the bank in Atlanta, is he talking about the BCCI scandal?

Mr. BUMPERS. It is an Italian bank.

Mr. SASSER. I see. This is not BCCI.

Mr. BUMPERS. Well, I do not know. I do not want to divert the debate off on that. I am just simply saying here was a bank that was apparently financing arms to Iraq and the CIA said all they knew about it is what they read in the paper. I can tell you—well, I do not want to get into that.

I just simply want to say, Mr. President, there are a lot of people besides the senior Senator from Arkansas who believe this budget can be cut and ought to be cut. Here is a quote, Mr. President, from Aviation Week and Space Technology, August 17, a month ago:

> U.S. lawmakers searching for fat in the Federal budget should lift the wraps off the $36 billion plus spent annually by the super secret "black" world. If people really want to crusade against waste and excess regulation, let them begin here.

Lt. Gen. William Odom, former Director—listen to this, Lt. Gen. William Odom, former Director of the National Security Agency said, February 12 of this year:

> The intelligence community has, in my view, been greatly overfunded for the past 10 years. We may well have 10 times too many analysts in the intelligence community today.

And here is where General Odom again says:

> The intelligence budget grew far more in the 1980's than was necessary.

William Colby, former Director of the Central Intelligence Agency—former Director; he did not just fall off a turnip truck. This guy knows what he is talking about:

> There is substantial money to be saved. I would say a substantial reduction in intelligence funding is possible, and that means several billion dollars.

Not one, Mr. President, several billion dollars. And the Los Angeles Times, on March 3, this year:

> The Bush administration has proposed a 1993 intelligence budget of about $30 billion—

Bear in mind that is what the Times says. I am not saying that—

> virtually unchanged from the current year or from peak years of the cold war, officials say. Central Intelligence Agency officials and Congressional aides said intelligence spending would be reduced by only 2 to 3 percent.

Now, Mr. President, I am going to ask the Members of this body to put this on the scale and balance it thusly. If you think that cutting the intelligence budget by $1 billion is going to hurt the intelligence community and our intelligence gathering operations, or even if you believe that $2 billion, counting what I am proposing and apparently what has already been cut by the committees, is going to jeopardize our intelligence gathering apparatus and that somehow we are going to be jeopardized, first, I want you to tell us how. And secondly, I want you to balance that cut against a $400 billion deficit just for this year with an economy so sick it cannot get off the floor. You tell me, do you think this country is threatened more by the Soviet Union, or what used to be the Soviet Union or what is going on in Bosnia, or do you think it is threatened more because we are spending $400 billion a year we do not have? Why, the answer lies in the statement.

I yield the floor, Mr. President.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I rise to support the amendment of the Senator from Arkansas. The Senator from Arkansas, in my opinion, is quite on target. And I say that as a member of the Intelligence Committee, without intending to violate any of the proscriptions pertaining to secrecy. It is my personal belief that a $1 billion cut, half of it from tactical intelligence and half of it from the national intelligence budget authorized by the Intelligence Committee, does make good sense.

The Senator from Arkansas made some points that I was interested in. I am not sure he covered all of these points. But he was talking about the fact that the very people who voted against raising the fees with respect to mining on public lands, those who supported the line-item veto and a balanced budget amendment—and he may have mentioned those who opposed grazing fees—certainly all of those who have made the loudest and strongest speeches over a period of years about balancing the budget will be the ones who will be the first to be in line at the front desk indicating their opposition to this amendment.

Somehow I have difficulty in understanding how you can be for the line-item veto or for the balanced budget amendment and come out here day in and day out and refuse to vote for amendments that can save millions, even billions of dollars.

Often we talk about expenditures in the area of defense, and now in the area of intelligence. Those are the hardest votes to come by. I am not sure why. But to me it is the ultimate inconsistency; maybe this is one of the reasons the people of this country cannot understand and do not appreciate what their Members in Congress do or fail to do.

I believe that intelligence is an important contributor to our national security. But we also need to know that fiscal responsibility extends to all parts of the budget, even to national security areas, just as it does to other elements of Federal spending.

This Congress—this Senate and the House—consistently talk about balancing the budget, goes out on the campaign stump, talks about balancing the budget, talks about wasteful Government spending. But then when it comes down to the nitty-gritty of cutting back on defense expenditures or, in this case, intelligence expenditures, no. The answer is no. Somehow that is safer. That is sacrosanct. We cannot touch that.

There are two basic reasons for my support for this amendment. First, as emphasized last week by Admiral Crowe, the former Chairman of the Joint Chiefs of Staff, the real founda-

tion of our national security is not our arms or our intelligence satellites, but rather the American economy. And we will never bring the economy around until we get a grip on the ballooning Bush-Reagan deficit.

Let us not kid ourselves. The President can do or talk about everything he wants to, as far as assessing blame; but he has to accept the responsibility, as does his predecessor, for the shape that we are in at this very moment.

Now, the fact is that discretionary spending is a smaller proportion of the Federal budget than it once was. We have to look for reasonable cuts wherever we can find them; there can be no sacred cows when the price is both hunger at home and weakness abroad. So even the intelligence budget must contribute its share of spending cuts.

Second, I firmly believe that we can cut the billion dollars proposed by this amendment without in any manner affecting the efficacy of our intelligence activities.

I am personally convinced that there is room for these cuts without any danger to the national security.

While I am not at liberty to list where these cuts would be taken, I can tell you that when I asked the staff of the Intelligence Committee to come up with candidates for similar cuts last year, they had a hard time. But this year, they came up with proposed cuts at this level with very little difficulty.

With regard to the National Foreign Intelligence Program, I want to make clear that the Intelligence Committee has done a very creditable job this year. We cut more than $1 billion from the amount requested by the executive branch, and I commend our chairman and vice chairman for that achievement.

But that $1 billion was basically in painless cuts, and I think that modest additional cuts can be made with only slight pain.

I want my colleagues to give particular heed to what I am about to say. I know of about $200 million in additional cuts that the Director of Central Intelligence would take himself. There are $200 million in additional cuts that the Director of Central Intelligence would take himself, given the opportunity to do so.

So what we are talking about then, if he would take $200 million, is only another $800 million over and beyond that—and only $300 million in national intelligence.

With regard to tactical intelligence, the Intelligence Committee can only recommend cuts to the Armed Services Committee. But again, our staff had very little difficulty in coming up with such recommendations this year.

There were items that had been requested twice in the same budget, or that could not possibly be spent because schedules had already slipped. I think both the Armed Services Committee and the Appropriations Committee agreed with our recommendations on those cuts.

But when we suggest actually cutting back on programs, committees tend to step back. They do not want to cause any pain, even when the need for a system has gone away—as it has for many of our antisubmarine systems, given the withdrawal of the Soviet Navy as a challenge to United States forces on the high seas.

Now I understand that the Appropriations Committee took more cuts in tactical intelligence than did the Armed Services Committee. And the amendment before us would result in greater cuts in tactical intelligence than those the Intelligence Committee recommended. But there is still plenty of room for more cuts in programs—especially those programs that were designed to fight Soviet forces that no longer present a credible threat to the West.

So I strongly support the further cuts in tactical intelligence that Senator BUMPERS has proposed. And I also support the additional cut in national intelligence programs, even while recognizing the good work that the Senate Intelligence Committee has done in this area, because a total cut of $1.5 billion in national foreign intelligence really is reasonable.

Given the country's need to bring down the deficit, we all must pitch in and let me adopt the words of that former President who is so particularly popular with our Republican President as well as our Democratic candidate. As Harry Truman said, "The buck stops here."

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, I rise in opposition to the Bumpers amendment. I think when one considers the merits of the intelligence one must be mindful of the assurance it provides. How much would it cost this Nation if suddenly the situation in Russia were to turn about? How much would it cost in increased military posture and increased expenditure?

Mr. President, as long as we have top quality intelligence we have some assurance that we can be aware of actions taking place throughout the world that affect the national security interests of our Nation.

The Bumpers amendment to cut an additional $1 billion from the intelligence budget—$500 million from the National Foreign Intelligence Program, and $500 million from the Tactical Military Intelligence Program—appears simple on the surface. But, Mr. President, if it is adopted, we will be responsible for making the intelligence services of our Nation go slowly blind.

The amendment will affect us like glaucoma. Our sight will become blurred. We will miss key events. Clear pictures will lose their clarity.

This amendment could harm U.S. policymaking, no matter who makes the policy in the future. This amendment will also undermine the efforts undertaken by the Director of the Central Intelligence Agency, Bob Gates, to streamline the intelligence community—to recognize and cut down on duplication. Since taking his position just a year ago, Director Gates has designated task forces to look at all options on a variety of issues, and then he has taken the recommendations of these task forces seriously.

As vice chairman of the Intelligence Committee, I can tell you that virtually all of my colleagues would agree with that statement. Mr. Gates has taken a careful approach that has resulted in major readjustments both in terms of intelligence programs and costs, and I, for one, want to encourage the Director, not to discourage him and his people through the adoption of an arbitrary $1 billion budget cut.

This proposed amendment that we have before us also undermines the hard work and bipartisan efforts of our Committee on Intelligence which spent months in reviewing the budget—program by program. Our budget process took a good deal of our time as we considered the implications of the cold war's end and the need to realign the focus of the intelligence community away from the previous targets of that cold war.

However, our budget process also took into consideration other realities. We have an increased need to know what is happening in the Third World; the ethnic strife is becoming a frightening reality. Look at what is happening in the former Yugoslavia. We need to understand the implications of that conflict. Is it merely a civil war, or can it affect the national security of the United States by spreading to other regions and other countries?

We also need to know more about the proliferation of nuclear, chemical, and biological weapons. Are scientists in the former Soviet Union going to sell their knowledge to the highest bidder in the Third World? We must know factually.

What capabilities do Qadhafi or other Third World tyrants have to produce and deliver systems and weapons of mass destruction? What about conflicts among or between new republics? What weapons will they use? Are the military leaders of the former Soviet Union really going to stop production of chemical or biological weapons? Can the political leaders of Russia really control the military? I, for one, want our intelligence professionals to have the means to give answers, correct answers, to these difficult questions, without having to go back for more information.

We also have to look at the spread of Islamic fundamentalism. Where will Iran want to export its revolution? To Afghanistan? To the new Republic of Turkistan?

Intelligence has something to offer us on global environmental concerns. We can use data and information we have already collected—that the taxpayer has bought and paid for—to better understand global change, ozone depletion, and similar environmental threats. We can collect intelligence on the environment in order to make decisions about the environment and global change based on facts, rather than emotion which is so often the case.

We had a hearing in Alaska in August on the nuclear activities of the former Soviet Union and how we might be affected by the resulting radiation. It opened up a whole new area of consideration with regard to intelligence that is appropriate, that is available, and that must be directed to knowledgeable policymakers.

We need to know more about the global economy, not to engage in industrial espionage, but to get smarter on issues that affect our ability to compete worldwide. We also need to increase our research and development efforts in high-technology communications. The world's communication systems are becoming incredibly sophisticated, and we simply have to keep pace.

In short, the Select Committee on Intelligence did not simply rubberstamp the President's budget request. We made our own decisions and our own choices. We fulfilled the responsibilities given to us by the Senate, and we voted on a bipartisan basis, 14 to 1, to report out the bill.

Mr. President, it is interesting to note that the one vote against our bill was by a Senator who thought our cut was too much.

So let us be clear; we did not increase intelligence spending; we cut it by over $1 billion. That is not all. Spending on the intelligence community has been cut deeply by other recent actions of consideration at this time. Intelligence took approximately $300 million in net cuts last year. Another $500 million was rescinded this year, all in addition to the $1 billion cut in the fiscal year 1993 authorization bill.

All these cuts have occurred before fiscal year 1994 when the budget agreement expires and intelligence has to compete directly against domestic spending. As this year began, many of us realized full well that the world changed dramatically, that both our defense and intelligence budgets would have to be scrutinized quite differently than in previous years. At the same time, many of our colleagues on the committee became convinced that this was not the year to make more dramatic cuts in funding in our intelligence. We arrived at this conclusion knowing full well that there would be a serious pressure brought to bear by this body to take money from defense and shift it to domestic programs.

As I have previously noted, Mr. President, the complexities of the world have increased, not diminished, as a result of the breakup of the Soviet Union. At the height of the cold war, our intelligence community perhaps had the luxury of being able to focus a great deal of attention and effort on a few main targets—the Soviet Union and its satellites being the most obvious.

Now, however, our policymakers in Congress are determining and demanding more information about newly emerging republics, about newly emerging leaders, and about other regions of the world, to determine whether they may affect our national security. Therefore, different and new demands for information and analyses are being placed on our intelligence community.

I, for one, do not simply want to rely on press accounts to make difficult decisions. I want the best expertise of our intelligence officers and analysts as to what is really happening and what response we might expect if we employ various options. We need clear information to make clear and proper decisions, particularly if those decisions mean putting our men and women in the Armed Forces at risk.

Throughout this year's budget process, Senator BOREN, chairman of the committee, and I have asked our budget staff to make a thorough analysis of all programs, to eliminate unnecessary spending, and to shift resources into more important areas. I believe we complemented the efforts begun earlier this year by the Director of the Central Intelligence, Bob Gates, who has done a superb job in reorganizing elements of the community to be more responsive to the changing world.

The authorization bill voted by our committee reflects the very careful attempt to maintain important capabilities in such areas as nonproliferation, counternarcotics, counterterrorism, and other such areas, while at the same time taking care to maintain strong capabilities in human intelligence and signals intelligence. We have also asked the Director of the CIA to develop a plan to reduce costs in duplication and to establish a so-called architecture for imagery before we fund costly satellite programs in the future.

Overall, Mr. President, I am comfortable with the level of spending in our authorization bill and with the reductions we have made. I am particularly gratified that the Armed Services Committee applied our savings to the deficit reduction. This was an important element of our approach to reducing the budget this year and one that was agreed upon unanimously within the committee.

So let me repeat, Mr. President, our Intelligence Committee has made cuts in intelligence spending. Our adjustments in programs and priorities have been made prudently.

We did not take an arbitrary slash at the budget, as contemplated by the amendment of the Senator from Arkansas. The Senator from Arkansas has not identified specific areas where intelligence spending is out of line. He has not argued for a shift in priorities, in collection, or analysis, and he has not told the Senate why our Intelligence Committee, one of the few bipartisan committees of the Senate, did not do its job properly. Where did we fail?

If we take the simple approach and strike $1 billion from the intelligence community, I implore all Senators in the future, do not expect that the intelligence community will respond to your vicarious appetites for information or analysis and do not criticize policymakers for making misjudgments. They will not have all the facts, nor will we in this body.

I ask the Senate to defer to the judgment of the Select Committee on Intelligence. You gave us the responsibility to make decisions on classified programs. We do not accept that lightly. We take it very seriously, and I believe we have exercised that responsibility carefully and prudently.

Mr. President, I ask my colleagues to vote against the pending Bumpers amendment.

I yield the floor.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, we find ourselves here in the year 1992, living in a radically changed world. We have found ourselves as Americans, in my lifetime and the lifetime of almost every Senator here, having lived in circumstances of radical change before, and this country and this Government has responded to those changes or need for changes in years past.

Let us analyze how the world changed for just a moment, a changing world that gave rise to the very large, complex, and highly expensive intelligence community that we presently have in the United States.

Up until the Second World War, the U.S. Government had a very small intelligence apparatus. It was operated principally out of the old War Department—Naval Intelligence, Army Intelligence, and, frankly, that was about it.

World War II gave birth to the Office of Strategic Services, the so-called OSS. Following World War II, President Truman determined that we needed to have an overall intelligence coordinating agency and that we should expand and make permanent the predecessor agency of what is now the Central Intelligence Agency, the OSS.

So a new agency was born, the Central Intelligence Agency, which had the overall responsibility for developing the intelligence for the U.S. Government, coordinating intelligence developed by Naval Intelligence, Army Intelligence, the Defense Intelligence Agency, which we now know as DIA, intelligence coming in from the Federal Bureau of Investigation and other agencies that might be gathering intelligence as either their principal reason for being, or as a collateral function of that agency.

This intelligence gathering apparatus continued to grow. It grew by exponential leaps and bounds, for example, in the decade of the 1980's. We found that during the course of the 1980's, while defense spending was going up 5 percent in inflation-adjusted dollars—we found that the expenditures for the intelligence community were growing in real terms by over 100 percent.

Now those are not my judgments, Mr. President. That is the language that is contained in the House Appropriations Committee report. They indicate that the intelligence budget of the U.S. Government increased by 100 percent in real dollars, corrected for inflation—that is, inflation-adjusted dollars—a 100-percent increase in the decade of the 1980's, while defense spending was going up about 5 percent in real dollars corrected for inflation.

Now changed circumstances and changed world circumstances is really what gave birth to the Central Intelligence Agency and this very large constellation of intelligence-gathering agencies that came under the umbrella of the Director of Central Intelligence. Pursuant to these changed circumstances over a period of a half a century, the U.S. Government came to the point that—at least, judging by newspaper accounts—this intelligence-gathering capability was costing us $30 billion a year. Those are the figures reported in the popular press. I neither confirm nor deny them on the floor here today. But that is an extraordinary amount of money.

Now, the same circumstances in the post-World War II years that gave birth to the Central Intelligence Agency and this vast expenditure of funds for intelligence-gathering, circumstances that have changed once again with the collapse of the Soviet Union, has made the threat evaporate.

The distinguished Director of the Central Intelligence Agency, Mr. Robert Gates, in a letter to all of the Senators here, indicates that in 1980, 58 percent of the CIA's energies went to gathering intelligence on the Soviet Union.

Now the threat of the Soviet Union is enormously diminished, we all know. In fact, the Soviet Union no longer exists. Well, how has the intelligence community and the Central Intelligence Agency, in particular, reacted to this basic change in circumstances? They have reacted predictably, as you would expect any other bureaucracy to react. They are busily finding something else to do, some other justification for the operation and maintenance of their bureaucracies.

Bureaucracies are made up of human beings and they are like human beings, in that they want to perpetuate their life and their existence. And that is precisely what the Central Intelligence Agency and other intelligence agencies are doing at the present time.

Now, there are those who would say, well, let the bureaucracy make its own decisions on what reductions should be made. Let the bureaucracy make its own decisions on what its future course of conduct would be.

Well, we all know what happens when bureaucracies make decisions regarding their own futures. They act in a way to guarantee the prosperity of those future years.

So I say to my colleagues, the time has come to address the question of spending on the Nation's intelligence community. It comes because of enormously changed circumstances in the world in which we live—principally the collapse of our principal nemesis, the Soviet Union.

It is also time to ask whether or not it is necessary, in this post-cold-war era, for intelligence agencies to continue to operate under a cloak of budgetary secrecy.

After all, this is a democracy. After all, the people have a right to know how their tax dollars are being spent. And perhaps it is time to lift away the cloak of secrecy over the budget of the intelligence community. Else, how are we ever to get a handle on this massive bureaucracy, if we cannot discuss publicly even how much money is being spent?

The exact amounts of the expenditures for the intelligence agencies are classified. But I think it is widely known and accepted that intelligence programs represent a sizable element of the Federal budget.

It is fair to say that in these days of shrinking budgets and hard choices, the intelligence budget remains sizable. I stand before my colleagues today as chairman of the Senate Budget Committee with the responsibility of trying to help shape the spending priorities of the U.S. Senate.

I have had no hearings before my committee on the intelligence budget. Indeed, hardly any of the Members of the Budget Committee know the size of the intelligence budget.

It was only today, when I went into a room in a cloistered area of the Capitol and sat, with others watching me, that I was able to go over a few sheets of paper that indicated what the amount of expenditures might be. That is all classified. We cannot talk about it. I do not intend to.

But I think we all know that we spend more in this day and time on intelligence gathering, on intelligence agencies, than we do in funding the Women's, Infants' and Children's Food Program. We certainly spend a lot more than we do on other programs like Head Start. I think we all know we spend more on the intelligence community than we do on diplomacy and foreign aid combined. We all know that the Federal Government spends more on intelligence than it does on education.

It appears to me it is elementary, now, in this new world order, that we need to know something about the amount of these expenditures and have some discussion about what they are spent for so there can be some prioritization of spending, given the very strained fiscal circumstances in which we find ourselves.

So it is time, in this new world order, as pronounced by President Bush—and, indeed, it is a new order—it is time to review these priorities. The first priority, should we be spending as much on the intelligence apparatus? And how much are we spending? And should the public, or at least should the Congress, know how much we are spending, and should these spending figures be debated?

The amendment that my friend from Arkansas, Mr. BUMPERS, and I offer today will simply cut $1 billion from the intelligence budget. We have had a lot of discussion over a period of many weeks and many months about what is to be done about reducing the Federal deficit. We all know that it cannot continue at the present level. The U.S. Government finds itself in very, very dire fiscal circumstances, indeed.

We are going to have to make some decisions here. We are going to have to assign some priorities. At long last, we are going to have to get down to the business of actually reducing expenditures in areas where the funds can no longer be used efficiently, and in areas where there is no longer a need for large Federal expenditures.

Yes, I know many of my colleagues vocally support the constitutional amendment to balance the budget. They go back home and they make long speeches for the Rotary Clubs, and tell the Rotarians how something must be done about the deficit. And they are doing their bit because they support a balanced budget amendment to the Constitution of the United States.

But I say that that balanced budget amendment to the Constitution of the United States does not reduce the Federal deficit by 1 cent. Those same colleagues who make those speeches, who talk bravely about supporting a balanced budget amendment to the Constitution, have the opportunity here today, once again, to make an actual spending cut.

I am not as pessimistic as my distinguished colleague from Arkansas. I

think there is at least a fair chance that a majority of Senators will walk in here and say: Let us just cut at least $1 billion from an intelligence budget, a budget in which the Director of the Central Intelligence Agency tells us that, in 1980, 58 percent of which was directed to gathering intelligence on the Soviet Union, a country that no longer exists.

I think my colleagues will realize the interest savings alone on this amendment will total $75 million in 1994. And, by the end of the decade, we will be saving $150 million a year in lower interest costs just as a result of 1 year's cut of $1 billion in the intelligence budget.

That is real savings. That is real reduction in the deficit. And those who are going back home and beating their breasts about supporting a balanced budget amendment to the Constitution of the United States, let me ask you here today to give some consideration on the floor of the U.S. Senate to putting some substance behind your rhetoric.

Surely you can vote for a $1 billion cut, a cut of somewhere in the neighborhood of 2 to 4 percent in the budget of the intelligence community, when the Soviet Union, our chief adversary, has collapsed.

Yes, these modest reductions will help ease next year's budgetary pressures, because next year we will not have separate caps on domestic and international and defense spending. In the next 2 years, the Senate will have to find at least $25 billion, I say to my colleagues, in additional spending cuts, even if we accept all of the cuts in military spending that were proposed by the Senate Armed Services Committee, By starting this process now, we will make this task much easier.

Some will say this endangers national security. If we cut $1 billion off the intelligence budget, will this endanger our national security? Of course not. We all know the answer to that. As I said earlier, intelligence budgets grew by leaps and bounds in the 1980's; over a 100 percent increase in real dollars in intelligence spending in the decade of 1980's. Intelligence spending was going up 20 times faster in the decade of the 1980's than military spending itself.

My colleagues, the number of intelligence personnel, those employed in intelligence-gathering operations in Washington, DC, grew by over 70 percent in the same decade of the 1980's.

Now, bear in mind, this was the decade in which Presidents Reagan and Bush, and particularly President Reagan, we calling for a reduction in the size of Government. "Let us get Government off our backs." But we learned that the number of personnel employed in the intelligence community in the Washington, DC, area grew by 70 percent in the same time period.

Certainly, a modest reduction of 2 to 4 percent of the funding levels contained in this bill is not going to cripple intelligence programs. In fact, this amendment really may lead to a more open and healthy debate on intelligence spending. Until now, these programs have been almost totally hidden from the normal budgetary process. These secret intelligence budgets, here in what is supposed to be an open and free society, remain almost entirely free from public scrutiny.

The reason given is that this secrecy protects our intelligence sources and their methods, and there is some rationale for that; I am not arguing that The argument goes that, if we publish information about the intelligence budget a foreign intelligence service might be able to glean trends in U.S. intelligence from this data. What foreign intelligence service? Which one are we so concerned about these days? There is no gainsaying the fact that these intelligence budgets are secret and shield the intelligence community from the rigors of open debate in an open society. The same secrecy serves to exclude all critics from reviewing these programs. The secrecy prevents a critical review of the programs themselves.

I am not denying the depths of the cold war. Maybe this was necessary, but in this new world order with defense budgets shrinking, domestic budgets shrinking, a worldwide shortage of capital—some say that is what led to the currency turmoil in Europe, there is just not enough money to go around—can we not at least make a very modest reduction in these intelligence agencies?

And is it not time to begin debating the merits of this secret spending for intelligence? Is it not time to open at least a part of it up? I think this amendment will start this process by simply curbing spending on intelligence programs ever so slightly, by cutting really less than 4 percent of the intelligence spending in this bill—I do not know precisely how much it cuts, and if I did say it precisely, I would be subject to criticism, but I would say within the range of 2 to 4 percent. Even if this amendment is adopted, the funding and spending for intelligence will remain at a very robust level indeed.

This amendment will give us some breathing room. It will give us some savings. It will encourage a reevaluation of the role of the intelligence community in a so-called new world order. Even Mr. Robert Gates himself, the head of the CIA, a man who I do not criticize on this floor today, and a man who I think is a dedicated public servant, has advocated just such a reorganization of the intelligence community.

But I am not willing to let the reorganization of the intelligence community be done entirely by the intelligence community. I am not willing to stand by and see it hindered by bureaucratic inertia.

This amendment is a clear signal that now is the time for the intelligence community to begin the painful adjustment away from a cold war posture that it knows so well. Future spending levels for these programs are going to be constrained, and all Government agencies, even those who operate in secret, must adjust to the new world order.

Mr. President, I would like to state to the many men and women who served in our intelligence agencies with courage and distinction over the years, this amendment is not aimed at them. Before offering this amendment, we paid heed to the former chief of the National Security Agency, Lieutenant General Bill Odom, who recently remarked that even a pretty healthy cut in the U.S. intelligence budget would not hurt the ranks of intelligence.

These savings are possible, they are necessary, they are desirable. They ought to be easy for Senators to vote for. This amendment does not threaten our national security. It is not going to gut our intelligence agencies. It is a good amendment. And if Senators cannot come on this floor and vote for a $1 billion reduction in intelligence budgets following the collapse of the Soviet Union, then I despair, Mr. President, that we are ever going to have any spending cuts, that we are ever going to do something about this deficit.

So, I implore my colleagues to support this amendment. It is an amendment that is necessary. It is an amendment that is so easy to vote yea on, to stand up and say, yes, I am in favor of saving $1 billion, I am in favor of not forcing and placing the burden on my children, or my grandchildren, of keeping the intelligence agencies, for which there is not as much need as there used to be, working at full capacity trying to find something else to justify their existence in the post cold war period.

One final world before relinquishing the floor to my distinguished and learned friend from New York, Senator MOYNIHAN, who is much more knowledgeable on the issues of the intelligence community than I am. I appear here this afternoon on the floor simply asking my colleagues to join with me in trying to make some savings. I am sure my distinguished friend from New York can make a much more persuasive and certainly a much more eloquent case about why these savings should be made.

But I will just conclude with this quote from the respected publication, "Aviation Week", not one for urging cuts in the military budget. "Aviation Week" last month urged:

> U.S. lawmakers searching for fat in the Federal budget to lift the wraps off the $36 billion plus super secret black world.

That is their figure, not mine. They go on to say:

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With exploding health care costs, child poverty, and infrastructure needs begging for scarce funds, it is time to stop indulging in these cloak programs.

So says "Aviation Week." And I say to my friend from New York, that, Mr. President, is indeed a sign of the times.

Mr. MOYNIHAN. Will the Senator from Tennessee yield for just a question?

Mr. SASSER. I will be pleased to yield to my friend from New York.

Mr. MOYNIHAN. Mr. President, earlier in his very powerful, reasoned statement, Senator SASSER remarked that he felt that the public, or at least the Congress, had a right to know the total amount of expenditures on the intelligence community. And he has several times said in referring to this or that, that he could not refer to specific amounts because he would then be subject to criticism.

Is it not the case that article I, section 9 of the Constitution states that:

No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time?

Does that not raise some concerns on the Senator's part, in the aftermath of a cold war, about the regularity, the constitutionality of secret appropriations and expenditures?

Mr. SASSER. Indeed, it does. And I say to my friend from New York, the Senator has raised a fundamental concern, indeed a fundamental constitutional question, and we must ask ourselves as Senators who take an oath to swear that we will uphold the Constitution of the United States of America, are we, indeed, fully fulfilling that oath in the procedures and mechanisms by which we fund the intelligence communities? It is a very disturbing and I think very fundamental dilemma in which we find ourselves.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. I would like to proceed in the spirit in which the Senators from Arkansas and Tennessee have spoken this afternoon, certainly with no rancor, with no intent to diminish the achievements of an important component in a protracted conflict with totalitarianism. If I can, as a matter of establishing bona fides, say that every Senator receives a number of awards and most of our walls have a fair display thereof, but in my own office in the Senate I have only two awards on the wall. One is from the board of trustees of the Hirshhorn Museum, on which I served for 15 years, another is the Seal Medallion of the Central Intelligence Agency.

I served on the Select Committee on Intelligence from February 1977 to January 1985, the prescribed 8 years. And afterward, to my great surprise and honor, I learned that they had asked if I would accept the agency seal, which is not casually awarded. This is a sentence in the citation:

Serving with full knowledge his achievements would never receive public recognition, he chose to align himself with the thousands of men and women who have devoted their lives to support the intelligence needs of our country.

I would speak to those men and women, as well as to the Members of the Senate. I have served abroad as an American Ambassador in settings where the intelligence community regularly put its people in harm's way, and where with some regularity harm did, indeed, come, and I have not known a finer group of public persons. It is a large thing to commit your life to doing extraordinary things, taking sometimes extraordinary risks, and to do so with complete anonymity outside the community, as it is called.

I would like to ask unanimous consent to have this citation printed in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

CENTRAL INTELLIGENCE AGENCY CITATION

Daniel P. Moynihan is hereby awarded the Agency Seal Medallion in recognition of his outstanding accomplishments as a Member of the Senate Select Committee on Intelligence from February 1977 to January 1985. He was a leader in establishing the oversight of intelligence which was and is today in the finest spirit of bipartisan government. Consistently adhering to the highest standards of personal and professional integrity in furtherance of the national security interests of the United States, Senator Moynihan clearly demonstrated that effective oversight of intelligence can be realized in a democratic nation without risk to the intelligence process. Serving with full knowledge that his achievements would never receive public recognition, he chose to align himself with the thousands of men and women who have devoted their lives to support the intelligence needs of our country. Senator Moynihan's extraordinary contributions and exemplary dedication while serving on the Senate Select Committee on Intelligence reflect great credit on himself and the Congress of the United States.

Mr. MOYNIHAN. Mr. President, I wish to speak just a bit on the theme that the Senator from Tennessee raised about bureaucracy. I am sorry but that is the word he used and he was not wrong to do. And just as an anecdote, Mr. President, in 1980, our beloved former colleague—he was exactly that—Eddie Boland, who was one of the first chairmen of the Select Committee on Intelligence, rotated off the committee and there was a reception on the House side. I was asked to come to say a word on behalf of the Senate. It was a very elegant reception. I reveal no very profound secret if I say to you that an aerospace company seems to have provided the ample supply of shrimp and such like amenities. In the course of the evening a senior officer of the Central Intelligence Agency came over to me and he said, as he looked around—the Speaker was there and other Members, representatives of the business community and of the intelligence community—"It is interesting; any college senior has been taught that if an activity in the executive branch wishes to flourish, it gets itself a pair of committees in the Congress to look after it." He said, "Could you tell me how it could be that it took something called the intelligence community 30 years to figure this out?"

Indeed, there it was. Having resisted this arrangement they were suddenly seeing its advantages. And I learned from the chairman of the Budget Committee that the budget of the intelligence community doubled in real terms in the 1980's. It is called the iron triangle, in the literature of political science, the executive branch employees, congressional committees, and the private sector which provides the resources and the material and such like.

We have heard today with alarming clarity from our very good friend, the Senator from Alaska, speaking for the committee. He very carefully spoke of the needs of the intelligence community, and I jotted these down: Intelligence on the environment, on the global economy, on high-technology communications, on counternarcotics.

Let us go back to intelligence on the environment. The secrets of Hurricane Hugo? What does that mean? The environment is a question of science and economics as is the global economy. This kind of work is done in the open; constant publication and critique and modification and extension. That is the process of science. The great glory of Western science was the decision that somehow emerged from the 16th century that science will be done in the open—publish it all. And that is how we have progressed.

What you are seeing is the continuation of the secrecy system which developed in the Second World War and then with the slightest change moved into a half-century of the cold war.

Mr. President, I know that you have a particular interest in times when the Federal Government gets to be a little silly. Even with your encyclopedic knowledge, sir, of the Federal Government, dare I ask if you are aware of the existence of the Information Security Oversight Office? Well, sir, if you were to look in suite 530, 750 17th Street Northwest, you would find it there, and that is the organization that keeps count of the number of secrets we produce each year.

I can tell you, the new report is just about out. I can only give you the 1990 report. In 1990, the total of what are called classification actions reported for fiscal 1990 remained virtually the same at 6,797,720. I particularly like that 20—Mr. President 6,797,720 secrets from original classification authorities the number of which is 6,492. Of all those secrets, the Department of De-

fense accounts for 51 percent, CIA for 33 percent, Justice 12, State 3.

Mr. President, the secret of the secrecy report is that they do not count the real secrets. It just gets so funny. They count up to top secret. But, Mr. President, I reveal no great secret if I tell you top secret is not very secret. The real secrets have classifications which are secret. It is a self-fulfilling pattern with which you might expect but which you should not be too complacent about.

I put it to you this way, Mr. President. There are costs to a secrecy system. Early in the 1970's, Frederick Seitz chaired a committee over in the Department of Defense on defense research. The committee said it probably would be best if we just declassified everything. We would progress so much faster. Secrecy is the enemy of good conclusions.

There are costs to it. The other day the Strategic Arms Reduction Treaty, came to the U.S. Senate from the President. START is a treaty that took 9 years to negotiate, and it was a negotiation between the United States and the Union of Soviet Socialist Republics. Yet when it got to the Senate, the Union of Soviet Socialist Republics no longer existed.

Some rather nice questions came up. Well, who is bound by this treaty on what are we asked to give our advice and consent? Russia and Byelorussia, the Ukraine, and Kazakhstan, send us their side letters, saying they will be bound. This question of succession comes up; legal questions.

I asked the representative of the Department of State, a very able person, when did it begin to occur to anybody in Geneva that we were negotiating a treaty with a state that would not exist by the end of the negotiations?

They said, oh, well, 1990. They told me that. I pointed out directly I hope—and it is not easy to point out these things—that I was an observer to the arms control talks. From the early 1980's, I was speaking in those councils saying the Soviet Union is very likely not going to exist at the end of this decade; it is clearly on the verge of breaking up.

It just never got through to anyone. Max Kampelman, our very able ambassador in charge of the negotiations, could hear the argument being made. He did not necessarily agree with it. But he asked about it. But in an address to the Foreign Policy Association in New York on May 20 of this year, our very able Director of the Central Intelligence, Mr. Gates, addressed this subject in a speech entitled "The CIA and the Collapse of the Soviet Union: Hit of Miss?" He said:

> We wrote many assessments describing the growing crisis in the Soviet Union—describing a steady, gradual and open-ended decline, but only in early 1989 did we begin to think the entire edifice might well collapse.

Mr. President, by early 1989, it had collapsed. It was just looking like one of those huge chimneys that used to get blown up in news reels. There would be a great explosion. The chimney, this vast 10-story chimney, would hang in the air a little bit before it came down, but the base was already gone. It was so clearly going to happen. But we could not get it. The secrecy system became so convoluted it could not correct itself.

I have one particular piece of information that gives you a feeling for the degree to which a secrecy system got to the point that it could not spot the obvious. This is the Handbook of Economic Statistics, 1986, published openly by the Central Intelligence Agency.

In this document, you will learn that in 1985 the per capita GNP in United States dollars in East Germany was higher than West Germany. Mr. President, you indicate a measure of disbelief. Well, here it is, sir. It was not much higher. But in East Germany, the per capita, GNP was $10,440; West Germany, $10,220.

Any taxi driver in Berlin could have told you that is not so. But we had machines that cranked it out, formulations, highly classified computer analyses, that said it was so. Therefore, it must be so.

Sir, I would hope the intelligence community would be interested in this because there is nothing wrong with making mistakes if you find out in time that they are mistakes. There is a phrase in the intelligence jargon—"let us walk the cat back." Where did we get the idea that East Germany was wealthier than West Germany? We did. We published it. Nobody even saw it in the printer's office and said, oops, that is a mistake, it should be the other way around. Anybody can make a mistake.

The Presiding Officer is a publisher, a newspaper editor. He knows about these things. That kind of correction, the internal critique just is not going to be there in the secrecy system.

I dare not think what would happen if indeed we let a secrecy system instruct us on developments in the environment: secret analyses of the source of the eruption of Mount Pinatubo in the Philippines. No. Secret analyses of the global economy? Markets give you information about the economy, and scholarly inquiry, open inquiry.

I would say one last thing, Mr. President. One of the great costs of the secrecy system and its location across the river, apart from the rest of the Government, is that the State Department has been greatly diminished as an institution.

I recall when the Shah fell in Iran. The question asked in the press was: why did the Intelligence Committee not know about this, foresee it? You could practically hear the sighs of relief in Foggy Bottom when the question was asked, why did the intelligence community miss it, rather than why did the State Department not know? The Embassy was in Tehran, and they would walk around, read the papers, and talk to people. That is the State Department's job. You get the idea that there is some real secret involved, that it can be learned, or should be. You end up making great mistakes.

I close, Mr. President, in supporting this amendment, of which I am a cosponsor, by quoting the Frederick Seitz report on defense secrecy—he was president of Rockefeller University—from July 1, 1970. He said:

> The task force noted that more might be gained than lost if our Nation were to adopt unilaterally, if necessary, a policy of complete openness in all areas of information.

I am willing to say that if we had all our calculations out on the table, we would not have judged 3 years before the Berlin Wall came down that the people on the east side of it were wealthier than the people on the west. That is the sort of thing we should discuss openly and be good humored about. Why not be good natured about it? After all, things have worked out well for the West. Do not think, however, that we did not pay a price for overestimating what we are up against, and do not think we will not continue to pay a price by keeping secret our analysis.

I see the distinguished Senator from South Carolina on the floor.

I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, it is ironic that at a time when the Congress and the administration are making major cuts in the Nation's military force structure and defense funding, there are those who believe we can make major cuts in the intelligence budget. I find this proposal to be out of touch with reality.

Mr. President, as our military force structure is reduced, we are in the process of withdrawing our forward deployed forces from countries around the globe. These forces have in the past been our eyes and ears in the world and were available to respond immediately to any crisis in the region. To compensate for this loss and still provide sufficient reaction time for our political and military leadership, we must increase intelligence operations—not reduce them. Without accurate and timely intelligence, our Nation will resemble a boxer who has his eyes closed—merely punching into space.

Mr. President, the demise of the Soviet Union is frequently used as the rationale for reducing our intelligence budget. In my judgment, those who use this reasoning are wrong—dead wrong. In a letter dated September 16, 1992, CIA Director Gates states:

In 1980, when we were at the height of our commitment to the cold war, only 58 percent of the intelligence resources were dedicated to the U.S.S.R.—a far smaller share than many may suppose. Today, the Commonwealth of Independent States accounts for only 34 percent of the President's amended fiscal year 1993 budget.

Both the President and the Intelligence Committee have already taken this change into account by reducing the intelligence budget.

Mr. President, the demise of the Soviet Union permits us to reduce our intelligence operations targeting that part of the world. However, it will require us to increase our focus on the rest of the globe. Despite the considerable threat that the Soviet Union represented, it did impose some control on its client states. These states, such as Iraq and Libya, now will be operating on their own, as will terrorists groups that formerly had Soviet sponsorship. Our intelligence agencies must expand their coverage of these areas, otherwise we may one day be surprised by proteges of Saddam Hussein.

Mr. President, the Intelligence Committee after numerous hearings has recommended a $1 billion reduction in the President's intelligence budget request. Although these cuts will have a serious impact on our intelligence gathering capability, fiscal realities demand a cut of this magnitude. Mr. President, to now make further, hasty cuts on the floor is wrong and may jeopardize our ability to monitor countries developing nuclear or other weapons of mass destruction, global weapons proliferation and drug trafficking. It would also affect our ability to be proactive on the important issue of economic spying by foreign intelligence services in the United States. As we know, this type of spying can have significant economic and military implications by providing foreign nations the benefits of the labor and financial resources which this Nation dedicates to scientific research.

Mr. President, I urge my colleagues to vote against the Bumpers amendment which would cut the intelligence budget by an additional $1 billion even though the Intelligence Committee has already cut it by $1 billion. Only through a robust intelligence program can this Nation expect to compensate for the large reductions being made in our military forces.

Thank you, Mr. President.

I yield the floor.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. Mr. President, I hesitated to take the floor, because I missed much of the earlier debate today, but I could not help but overhearing some of the remarks by the Senator from Tennessee and the Senator from New York.

Like the Senator from New York, I, too, have a medallion hanging in my office, having completed 8 years on the Intelligence Oversight Committee and having served four of those as its vice chairman. So I think that I also have some credentials to bring to the debate here today. I must say that my experience is in complete contradiction to what I heard earlier this afternoon.

The Senator from Tennessee said the public has a right to know and Congress has a right to know what the intelligence budget is. Well, Congress does know. Congress does know. There is a committee that is convened specifically to hear testimony in closed session day after day after day, all year long. And for those who are interested, truly interested, in what the intelligence community is about, all they have to do is sit in on one of those meetings. All they have to do is sit in and get a briefing on the intelligence budget. If the Senator from Tennessee does not know what is in the intelligence budget it is simply his own fault. He has every right as a Member of this body, at any time during the course of the year, to get a briefing on exactly what is in our intelligence budget.

What the two Senators who offer this amendment are saying is that they have no confidence whatsoever in Chairman BOREN, Senator BRADLEY, Senator HOLLINGS, Senator CRANSTON, Senator DECONCINI, Senator GLENN, Senator METZENBAUM, Senator KERRY, Senator MURKOWSKI, Senator WARNER, Senator RUDMAN, Senator DANFORTH, Senator D'AMATO, Senator GORTON, Senator CHAFEE—no confidence whatsoever, that these gentlemen really have been doing their jobs. The implication is that they have been sitting there day after day, but they have not done their job; that they have not looked at the evidence or listened quite clearly; that they have exercised poor judgment in their oversight capacity.

Well, I daresay I am not prepared to make that kind of a judgment here today. I find it ironic that the Senator from Tennessee, the budget chairman, gets three chances at this. First, as chairman of the Budget Committee, he has responsibility for setting the overall budgetary policy of the Congress. He sets the caps, he and his committee. That is one part of the intelligence budget.

Then, under our system, we delegate to the Senate Armed Services Committee and to the Senate Intelligence Oversight Committee additional responsibility—and it is a heavy responsibility. There is no glory involved in serving on the Intelligence Committee. It is a lot of hard work. There is no recognition. It does not translate politically back home into actions that you can take credit for. It is very, very hard, tedious, but critically important work.

So we delegate to the Intelligence Committee and we charge those members to act responsibly and seriously and to analyze and listen and try to understand how important it is to have an effective intelligence apparatus in this country. And not only do we tell the Intelligence Committee, we then refer the bill to the Senate Armed Service Committee—I mean, if you do not have any faith in Senator NUNN, if you do not have any faith in Senator WARNER, if you do not have any faith in all the members who serve on those committees, then simply pass this amendment, because that is what this amendment is. It is an amendment of no faith in the people that we have appointed to serve on those two committees. And that is a terrible judgment for anybody to get up on this floor and make.

You had the one chance of setting an overall cap. You had a second chance when the Senate Armed Services Committee came in with its authorization bill. You have a third chance now, going after the Defense appropriations bill. This is not a responsible course of action.

I am also struck by the inconsistency on the part of many of those who are always critical of either our military or our intelligence community. They are the first ones to rush to the floor to offer criticism every time something goes wrong. When Libya developed its chemical weapons plant, one of the most sophisticated and one of the most massive chemical weapons plants in the world today, the voices on their side said. "Where was our intelligence community? Why did we not know this was being constructed? Where were our agents at the time?"

Well, we said, we are pretty busy. We are trying to verify arms control agreements—and we will talk about that in a moment—trying to verify very complicated, sophisticated arms control agreements, trying to watch the Soviets, yes; trying to watch the Chinese, as well; trying to watch various parts of the globe, and we may have missed something over here. We could not focus enough assets, we did not have enough assets, we did not have enough satellite capability in the air to look down and pick out what was going on in every part of the desert in Libya, Africa, or the Eurasian continent.

We had criticism directed at the intelligence community: You missed that one. You missed Syria in its chemical buildup. How about Iraq, with all of its weapons buildup? Where was our intelligence community? And when the time came to invade Panama, there was a proposal to go in, and at the time, when President Bush said we are not ready to go in and overthrow Noriega again, the criticism came: Where was our intelligence community? How come you did not know where Manuel Noriega was sleeping that night?

We all know that we still need sophisticated intelligence gathering ca-

pabilities in space—Soviet nuclear weapons have not been eliminated. There are still thousands of them there. We know the Soviets, in the past, or the Russians today have not been forthcoming; that they have not only misrepresented facts, they have lied to us. And when the time came when our intelligence community looked down and said, the Krasnoyarsk radar down there, that is something in violation of the ABM Treaty, we had voices on the other side saying, "No, the Soviets say this is not a violation. This is simply a satellite-tracking facility."

Mr. Gorbachev lied to us. His Foreign Minister lied to us. And the intelligence community was the one that said, no, that is used for battle management. That is what that is designed for. And, finally, they fessed up. Finally, they fessed up and said, "You are right, that is a violation of the ABM Treaty. We were, in fact, trying to get around the agreement."

Again do you want to go back to the days of Desert One? Why did not our intelligence community do a better job? And we said we need more human intelligence. Everybody in this body said we need more human intelligence.

Let me say that takes time. It takes years. It is a very, very dangerous world in which we are trying to insert agents so they can gather information, so we will have information, knowledge, if at all possible, as to what exactly Saddam Hussein, or the Ayatollah, or whoever the leader of a foreign country might be, is up to at any given moment that might be adverse to our security interests. There is still a threat of terrorism throughout the world. We need better human intelligence as well as satellites in the sky.

And let me mention satellites for a moment, because there is more notion we do not need arms control verification anymore. I find it ironic that the very people who are now offering this amendment are the ones who have, over the years, historically been in favor of arms control negotiations, arms control treaties.

Well, treaties take time and verification. It is a very complicated system and process that we have to undertake to adequately verify whether the Russians, the Soviets, the Chinese, or others are, in fact, complying with their words, with their agreements, with their treaties.

And so now at this time they say, well, cut $1 billion out. We do not care where you take it from, just $1 billion too much; a meat ax approach.

Mr. President, those who are advocating this particular amendment, I daresay have never stopped down in the Intelligence Committee to get a briefing. Each year the Intelligence Committee sends out a letter, "Please come down. Let us explain the budgetary process. You are welcome to get a briefing from the agency, from any of the agencies involved in intelligence collection. We want you to understand exactly what we are trying to achieve."

For example, arms control verification, trying to determine what the intent as well as the capabilities are of foreign countries. The cold war is over, yes, but it is still a very dangerous, unstable, volatile world, and we need to have not less intelligence but more intelligence.

So now the argument is getting all mixed up. Let us cut $1 billion out. By the way, not only cut $1 billion, let us make the budget open. So they have mixed the two arguments here this afternoon. Let us have both: $1 billion less and a public debate on exactly how much we are spending.

Well, of course, the next step is, well, the number does not tell us everything. The figure in the line item does not tell us very much. We have to know what is under the line. How much is actually spent for satellite coverage? What kind of satellite? What kind of capability? How do they orbit? What are the countermeasures that are being advanced against it?

And then you start weighing the satellite coverage against the environmental intelligence, and you weigh that against human intelligence, and then you come to the floor and you start making cuts on the floor because you have a different priority.

That is not the way to maintain the national security of this country. We know what is in the budget. Every single Member of this Senate has every opportunity to find out what is in that budget. And for anyone to stand on the floor and say we do not know, well, that is your fault. Do not blame the Congress. Blame yourself.

And, again, I would like the Senators who are offering this amendment to come to the floor and explain to their colleagues whether or not they have ever had a briefing in the Intelligence Committee, whether or not they have ever talked to the recent Soviet defector who was here to talk about KGB activity in this country even today or GRU activities or any of the activities of the other intelligence services. I doubt very much whether they made such an appearance.

Mr. President, there is concern about biological warfare and weapons. Just recently, our intelligence community blew the whistle on Russia and some of the republics that used to be in the Soviet Union, saying that they have been carrying on prohibited activities.

Now if we do not care about that, cut $1 billion out. Just get up there and whack another billion out and say, "Let the intelligence community figure that one out."

But I daresay the next time we have an intelligence failure—because you do not hear anybody talk about our intelligence successes, you do not hear them talk too much about how good we were during the Persian Gulf war—they will go back and criticize and say, "Well, you did not have enough tactical intelligence. It was not quite good enough for our commanders in the field." But you never hear them really talk about how good we are. Being good takes money. It takes people. And that is what we are about to cut out if we adopt this amendment.

I also find it ironic, once again that the very people who want to cut more out of the intelligence budget are among the first to go on record, saying we ought to be using military force if necessary to go in and deliver humanitarian assistance to what used to be Yugoslavia. Notwithstanding the fact that our military experts, indeed our intelligence experts, say it is probably a bad idea to try to deliver humanitarian assistance without the consent of the government of that particular country. We may find ourselves involved in a real disaster. Yet they rush right in and say, "No, let us go on record in support of that military assitance."

Now, after encouraging us to use military force which will require the use of sophisticated intelligence in order to help our people determine exactly where their adversaries are, where the danger is, they now want to cut back on the ability to gather that intelligence.

Mr. President, I think this is a very bad amendment. I think it will undermine our intelligence-gathering capability. I think it does precisely the wrong thing. It is not what we should be doing. We should be enhancing our ability to look and to see and to listen and to hear. And that is precisely the opposite of what this amendment would achieve. I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, while it may possibly be true that in the land of the blind, the one eyed is king, that does not justify one in that land with two eyes, plucking one out.

I simply would like to associate myself with the eloquent remarks of my colleague from Maine for whom this has been a vital and important interest, over most of his Senate career, and who has contributed so signally to the strength of the American intelligence establishment.

I associate myself with his remarks relating to the uninformed nature of this amendment; uninformed in the sense of not being directed at specifics, not being based on a knowledge of the facts, not having thought out seriously the direction which this country should take.

I note the presence on the floor of the distinguished chairman of the Senate Intelligence Committee. I believe that as a member of that committee myself,

I can say without the slightest degree of hesitancy that he has looked at the intelligence agencies of this country with a critical eye, in the finest sense of that word critical, during the entire period of time that I have been associated with him; that he is not known as someone who simply throws money at a problem, whether domestic or foreign; and that he has agonized over a cut of $1 billion in the appropriations and authorization for intelligence agencies of the United States. And that he himself would feel that he has cut dangerously close to the bone of what remains a vital and central element, not only for the security of the United States, but for the interests of the United States in creating a peaceful and a stable and a democratic world.

Knowledge is the absolute fundamental basis of sound policy; knowledge—knowing what is actually going on in other nations of the world as against what various news and propaganda sources state to be going on. Obtaining that knowledge is not easy. Obtaining the services of people who will engage in activities which are illegal in the nations in which they are taking place is not easy. Substituting technical means for obtaining that knowledge is neither cheap nor easy. Priorities, obviously, must be set. Priorities are set by this appropriations bill and by the work of the Select Committee on Intelligence in this connection, priorities which agonizingly have reduced or cut out important and significant methods by which intelligence can be gained.

But a nation which aspires to and has attained the leadership of the free world—perhaps the leadership of the world itself, now—in order to make intelligent foreign policy decisions, in order to make intelligent decisions with respect to a budget for defense, in order to make intelligent decisions in the interests of peace and security and democracy, must have knowledge: the knowledge which this budget is designed to create.

Obviously, the cold war is now over in the sense of the threat which the Soviet Union posed to our most fundamental security interests for the better part of half a century. But the percentage of the intelligence budget which was directed at the Soviet Union had been declining significantly over a number of years, even before the end of the cold war. And the percentage of the budget now directed at what was the Soviet Union, and its successor states, is less still. But there are those successor states within the former Soviet Union itself, new republics with interests different from their former parent, not to mention the countries of Eastern Europe as well.

And all of us are cognizant of the fact that the end of that cold war between the United States and the Soviet Union has freed up—has unfrozen—lesser but significant conflicts among many other nations in many other parts of the world, intelligence about which is important to us and to our future.

The chairman of the Intelligence Committee, and his committee; the chairman of the Appropriations Committee, and his committee; and most particularly the Senators from Hawaii and Alaska who have put together this appropriations bill, have done so with knowledge of the knowledge we need. They have set priorities which are appropriate and necessary for the future of this country. They should not even be subjected to a close vote on an amendment of this sort which simply plucks a number out of the air and says we ought to be able to do this much better. We do not care how you distribute it. Let us just knock out an extra $1 billion.

I hope relatively soon we are permitted to vote on this amendment and I fervently hope that vast majority of this body will follow the advice of the distinguished Senator from Oklahoma, the managers of this bill, the Senator from Maine, and keep the United States of America not only first in the world in its own security and preparedness but first in its knowledge about the rest of the world and the problems of the rest of the world.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. I first want to thank my colleagues who have spoken this afternoon in defense of the action taken by the committee, in opposition to this amendment. I thank my colleague from the State of Washington, a very valued member of our committee, who has just spoken. He has spoken, I think, with great wisdom and with very sound conclusion, as had the former distinguished vice chairman of the committee, Senator COHEN, with whom I was privileged to serve for 4 years as we served together as a team, as chairman and vice chairman of this committee. And also by the distinguished Senator from Alaska who spoke earlier, the current vice chairman of the committee who has contributed much to our work.

Mr. President, I do not come here saying that the intelligence budget should be off limits when cuts are considered. The intelligence budget cannot continue at the same levels where it has been before all the changes took place in the world. There have been significant changes in the world, significant changes which affect our intelligence needs, and we must change our thinking to coincide with all of these changes in the world. So I do not come here taking the position that there should be no cuts in the intelligence budget.

As my colleague from Arkansas knows, who has offered this amendment, it has certainly been my position as chairman of the Intelligence Committee that the budgets as well as the operations of all of our intelligence organizations should be subjected to the closest scrutiny. I am very proud of the fact that we have made numerous reforms in the oversight process over the past 4 or 5 years, including the establishment for the first time of an independent inspector general, appointed by the President and confirmed by the Senate, to oversee the legality and the efficiency of all intelligence activities—a first step.

I am proud of the fact that for the first time we established 4 years ago an independent audit unit within the Senate Intelligence Committee itself, with the capability of going anywhere in the world, and anywhere into any secret account, including the most sensitive accounts of the agency, to monitor how the money was being spent and how the programs were being carried out.

Prior to that, because we have never allowed the General Accounting Office and other agencies to go into the most secret accounts of the Government for fear they would be compromised from an intelligence point of view, we have had to rely essentially upon information coming from the intelligence community itself as to how money was being spent. So the establishment of an independent audit unit, giving Congress for the first time the ability to see for ourselves how money was being spent, was a very important step in the right direction and a very important step to ensure greater accountability to the Congress and ultimately to the taxpayers as to the spending of taxpayers' dollars for intelligence programs.

We have also, of course, tightened up the procedures under which covert actions can be carried out, and we have increased and improved the budget process of the committee itself. Providing daily, weekly oversight activities of overall covert action programs, and the expenditures of money pursuant to congressional findings are part of that process.

So we have made a lot of progress over the past 3 or 4 years in terms of assuring greater accountability. I think that is important because very large sums of money are spent in the intelligence area. It is not only that we are carrying out sensitive programs which must be carried out in accordance with the values of the American people, the principles in which we believe, carried out with appropriate consideration of the ethical issues which are raised often in these kinds of sensitive programs, carried out in a bipartisan fashion, we must also assure ourselves that they are being carried out in a way that is financially most responsible.

So I, for one, have never opposed bringing the intelligence budget under scrutiny and insisting that the intelligence budget make its fair share of contribution to the reduction of the

budget deficit which plagues the future of this country and which is a very serious problem for all of us.

I am, therefore, not alarmed that we are having this discussion on the Senate floor. I think it is a good thing. I think it is a healthy thing. The Senator from Arkansas well knows that I believe it is a good thing we are having this discussion because all of us ought to become more involved in determining how intelligence dollars are being spent, just as we should scrutinize expenditures in all levels of activity. At the same time, we have to do the cutting in a responsible way and in a manner which will assure us we have the capability that we need in this country should emergencies arise.

Not too long ago when Mrs. Thatcher was in Washington, I had the privilege of having a brief visit with her. One of the comments she made, reflecting on her own time in office, was that you can always predict that the unexpected will happen, and that certainly has been true. She talked about the fact that during the period of time of the Great Depression, before most people in the world were really alert to the potential threat that could come that culminated in World War II, that even in those very difficult times, the Government of Britain, and the Government of the United States struggled to maintain an adequate budget for scientific research of a kind that later translated itself into weapons superiority once World War II did actually take place. She said had we not been willing to make that kind of sacrifice in the interest of national security, we might well have had a different outcome during the World War II period, and the world would have been, frankly, different as a result.

So we have to be prepared for the unexpected. One way in which we can be prepared for the unexpected at the lowest possible cost is to maintain a sound and capable intelligence collecting and analyzing capability.

One of the reasons why we can afford to reduce the size of our military forces around the globe is that we have continued to have first-rate intelligence capability. At a time in which there are going to be fewer people stationed around the world, fewer people on the front lines, fewer people in the geographic regions where problems might arise that might affect the national security interests of the United States, it is even more important that we have an early warning capability. It is even more important that we improve our intelligence collection so that policymakers can see storms on the horizon before they come, anticipate them and, therefore, have more policy options.

We learned that lesson the hard way during the Persian Gulf conflict. We did not, frankly, have adequate human intelligence in that region. Once forces began to move on the ground, once one's military force ended up someplace where it was not expected to be and that was detected by satellite photography and imagery, we knew that something was going wrong; we knew that perhaps an invasion might be imminent. We are talking about learning that hours or certainly days before the event, not weeks and months. The kind of early warning that could have come from more insightful human intelligence as to the intentions of Saddam Hussein and the leaders of the Iraqi Government could have armed the President of the United States with knowledge that would have enabled him to take other steps that might well have prevented that conflict altogether.

Had he known that this intention was clearly in the mind of Saddam Hussein, he could, perhaps, have held joint exercises with Saudi Arabia, have increased our strength in the region, have sent a very clear signal that that aggression would be resisted. Because we did not have that kind of early warning, in terms of human intention, those kinds of policy options were not open to us, and instead we were finally drawn into an armed conflict.

So, Mr. President, we should think long and hard before we imperil the intelligence capability that we need. One of the things that we have done within our committee is to shift priorities, emphasizing more and more the human intelligence component. Because when we are dealing with terrorist groups, when we are dealing with the possible proliferation of weapons, with some of these technical developments occurring in very small installations, when we are dealing with the possible hostile intentions of leaders in areas of the world that are considering actions that would be contrary to our vital national security interests, as we were in the Middle East with Saddam Hussein, it is all the more important that we gather information that can only come, or largely come, through human source intelligence.

So, Mr. President, I do not come to the floor to urge that the intelligence budget should be off limits. I do not come to the floor to say that the intelligence budget should be exempt from any cuts. I come to the floor to simply urge that as we are reducing our military capacity around the world, a strong intelligence capability is absolutely essential. And that as we reduce the intelligence budget, as we should and as I believe we prudently can, we must reduce it on a timetable and in a way that does not leave gaps in our capability so that when the unexpected does take place, as Mrs. Thatcher so eloquently said, it always will, it always has in history, we will not find ourselves ill-prepared.

We have many responsibilities as United States Senators to the people who sent us here. We have a responsibility to assure that our economy is rejuvenated, that we adopt tax policies that will enable us to compete in the world marketplace. We have the need to think in terms of the needs of those in our society because there are certain standards of basic human existence and human life that are dear to all of us and which are held in common by the American people to assure that the homeless are cared for, that those who cannot help themselves—the elderly and others—will be cared for by society. We have an obligation to provide a quality education for our children so they will have the same kind of opportunities that we have had.

But along with those kinds of responsibilities, we will always have a paramount responsibility because it is a responsibility uniquely vested not in the State government, not in the local government in partnership with us, as is true in the fields of education and social welfare, for example, but we have a responsibility to assure the security of this country, to assure that our people will be safe from attack from outside forces, and that the well-being of our Republic will not be jeopardized because we did not provide adequately for the defense and national security interests of this country. That is the unique responsibility in the Federal Government. It is not a responsibility which is lodged at any other level of government.

So we must think very carefully as we undertake cuts. The dominant focus of the intelligence community's concerns in the past has been the Soviet military target, as the Senator from Arkansas said; specifically, the likelihood of a conventional war in Europe that could lead to an intercontinental nuclear war.

The cold war, as has been said, is over. The Warsaw Pact no longer is a viable military entity. The likelihood of a strategic nuclear exchange has been greatly diminished, and so it is now time to start reducing the intelligence budget and redirecting the focus of the community to meet the challenges of the new world, new challenges which have arisen.

An overwhelming majority, by a vote of 14 to 1, reflects that the Intelligence Committee on a bipartisan basis understood that we should begin to scale down.

There were members of our committee who wanted to make no cuts. There were members of our committee, I might say, on both sides of the aisle who wanted to make no cuts at all. There were a few members of our committee who wanted to make cuts much larger than what the committee finally decided. A consensus was reached in our committee, a carefully crafted consensus, that for this year we could cut approximately $1 billion out of the national foreign intelligence program for fiscal year 1993.

Yet, in spite of the concerns on the part of some that we should stay where we are, that we should make no cuts at all, Senator MURKOWSKI and I believed it was our responsibility to begin a thoughtful process of downsizing, to begin the fundamental restructuring of our intelligence community that was needed right away.

Senator BUMPERS and others want to impose deeper cuts than those suggested by the committee, but I believe that those cuts could jeopardize our capabilities and jeopardize our ability to make a thoughtful transition to a world which I believe in many ways may be more unpredictable than the world as we have known it in the age of superpower confrontation.

As I have indicated, defense budgets will be reduced. There will be fewer American outposts overseas from which we can protect vital American interests. A restructured and refocused intelligence community will be the cornerstone of our ability to succeed economically, politically and militarily. In fact, everyone in this body, everyone in the policymaking community wants more information at this time and not less information. We all want to know whether a START Treaty can be verified, which we will soon be discussing; whether a fragile peace can be maintained in Cambodia; whether nuclear, chemical and biological weapons are being diverted from the former Republics of the Soviet Union to other parts of the world; whether China is proliferating weapons and technologies in contravention of existing agreements; whether death camps exist in Bosnia.

The list of questions to which we want answers goes on and on. We ourselves in this body constantly ask these kinds of questions of the intelligence community and we ask them about areas of the world and problems of the world that vitally affect our national security interests.

The proliferation of weapons as I mentioned a while ago is certainly a risk that confronts us all, with nations that are not as predictable in their behavior as the old Soviet Union, gaining more and more ability not only to produce weapons of mass destruction but to deliver those weapons of mass destruction on other areas of the world, even potentially ultimately perhaps within the boundaries of the United States itself, and so we are constantly asking for more and more information and earlier and earlier information. And that means better and better intelligence.

I for one do not believe that better intelligence automatically means more money on intelligence. I think there should be some paring down. I have advocated a sweeping restructure of the intelligence community. When our authorization bill comes to the floor, it will include much of that restructuring, a restructuring of our imagery capability so it is not spread among many agencies; it can be handled in a more efficient and cost-effective manner.

There are many suggestions we have made for improving the intelligence community through reorganizing it and streamlining it and indeed even with fewer resources which we believe we can make go further. That process is a long way down the road, Mr. President. That process has not been easy. And always we have tried to accomplish that task of paring back and reorganizing and streamlining and making intelligence more cost effective within the bounds of our knowledge that we need more and better intelligence in a world that is even more unpredictable than the world as we have known it 3 or 4 or 5 years ago.

I am not going to sit here and delude my colleagues into believing that the performance of U.S. intelligence has been perfect. We have heard the Senator from New York raise a lot of questions about the performance of American intelligence. It has not been perfect. There have been mistakes. But the fact is that U.S. intelligence does on balance a good job of meeting all the challenges thrown its way.

One of the most frustrating aspects of the work of the intelligence community is that by its very definition the successes remain secret. Most of the failures of the intelligence community become public because they are leaked or because some disaster occurs as a result of them. But for every disaster that we have had, we have had 10 successes that remain locked in secrecy that were of great benefit to the country and to its future.

Our committee has advocated making public the aggregate budget figure for national intelligence expenditures. Unfortunately, neither the Congress nor the administration has acted upon this recommendation. If they had, we could discuss exact figures on the floor today. We are constrained as to what we can say precisely about intelligence expenditures. I hope we will see the day when we can have a full and open discussion of this matter on the floor.

But I do want to stress also that the Intelligence Committee does not have jurisdiction over a very significant part of intelligence spending. Tactical intelligence programs are authorized by the Senate Armed Services Committee, and I therefore will not address the budgetary relations regarding those activities. I am sure they have been discussed by others with the distinguished chairman of that committee. I think if he were on the floor, he would point out that approximately $500 million of cuts have also been made on what has been the tactical intelligence budget as well.

Mr. COHEN. Will the Senator yield for a question?

Mr. BOREN. I will be happy to.

Mr. COHEN. I thank the Senator. Is it still the practice of the distinguished chairman of the Intelligence Committee to send a letter to all Senators offering to brief them on the details of the intelligence budget?

Mr. BOREN. Yes; I would say to my good friend, the former vice chairman, it is our practice, at least in the last 6 years—in the 4 years the Senator was vice chairman and in the last 2 years as well—to send a letter to all the Members of the Senate offering to give them a full briefing on the intelligence programs and on the budget for the intelligence community. I believe this year we had one Senator outside the committee accept that invitation. So the interest on the part of other Members in taking up our invitation, I might say, has been disappointing. But that invitation has been extended. We have given everyone an opportunity to sit in. On many occasions, we have invited individual Members with interest to sit in on some of the budget hearings as well as individual items.

Mr. COHEN. So for any Member of the Senate to stand on the floor and say that he is in the dark, does not know what is in the budget or how it is allocated; if he is ignorant of the facts, it is self-inflicted.

Mr. BOREN. I would say it would have to be a matter of choice because any Member of the Senate as a matter of choice who wishes a briefing or to research the budgetary figures has every opportunity. Not only have we made it possible for them to do so, we have urged them to do so and we have specifically invited them to do so.

Mr. COHEN. Could I further inquire whether either of the sponsors of this amendment have contacted the chairman to examine where he might make recommendations for cuts?

Mr. BOREN. I will have to say to my friend I do not know specifically whether they have gone to seek separate briefings. The distinguished Senator from Arkansas has been in our space. He attended a meeting with me with several other Senators at which time we did discuss the budget, and I conveyed to the Senator from Arkansas in some detail, as I did to the others present, where I thought the budget could be cut and our plans and our hopes for doing so in the committee. So I would say to my colleague that our colleague from the State of Arkansas has indicated an interest and has followed up on that interest with the intelligence committee, with me and with seeking information about our budget.

Mr. COHEN. And so as I understand it then he obviously made recommendations to the chairman in terms of what he felt ought to be done, where it ought to be cut?

Mr. BOREN. He has certainly indicated to the chairman, he encouraged

me as chairman of the committee to proceed as far as I possibly could in making cuts in the intelligence budget where he thought the budget should be cut.

Mr. COHEN. As I understand it, the chairman did in fact make cuts that would total roughly $1 billion.

Mr. BOREN. Yes, that is correct. We, as I say, began a discussion in our committee, and in the beginning of our discussion there were, I would estimate 8 members out of 15 who were opposed to cutting the budget by as much as we now recommended.

I must say to my colleagues that I was one of those who took the lead in saying we should attempt to find $1 billion of cuts given the budgetary deficit that we face. We should strain to reach that point; that, if I could bring my colleagues on committee along with me, I would then support that figure when we came to the floor. So that is exactly what happened.

We had a lot of intense discussions. We had a lot of concern expressed not to go too fast; that we put ourselves on a glide path, a reasonable glide path on both reductions in the budget and restructuring of the committee, but we do it in the way—since the world is still changing in such an unpredictable way—that would not leave us with the potential gap.

I say to my good friend that I think we have done that. I think we have done our task well. Not only have we cut $1 billion this year out of the national foreign intelligence program, and because of the recommendation from the intelligence community, but we also earlier helped the administration and we helped the Appropriations Committee, Senator BYRD, and others, identify an additional $500 million in cuts earlier in the rescission recommendations which were carried out. In essence, we have already taken $1.5 billion in cuts out of the national foreign intelligence program.

Mr. COHEN. May I also inquire further? As I recall, the Senator from Oklahoma was very instrumental in trying to persuade the intelligence community that it needed a greater capability in order to verify the INF Treaty. Is that not correct?

Mr. BOREN. That is correct.

Mr. COHEN. Over the objection of both the Defense Department and the intelligence community, because there were not sufficient funds, the Senator from Oklahoma carried a very persuasive message to the President of the United States saying we need more intelligence gathering capability, not less, and it was only through the persistence of the Senator from Oklahoma that we were able to achieve that capability. Is that not correct?

Mr. BOREN. I thank my colleague for characterizing it in that way. I certainly did the best I could to assure that we had the capability in the modern arms control agreements and other potential agreements in the future because I want to see us have a world in which we are able to carry out these agreements, enter into these, and make the world safer by reducing the level of weapons. But I know we cannot do that, and will be subjected to criticism for moving ahead on those kinds of agreements, unless we have sufficient intelligence capability to assure the American people and the Congress itself that we are able to monitor.

Mr. COHEN. I ask further about human intelligence because this is something that is critically important in a dangerous, unstable world in which we still see the threat of terrorism. We are still debating the issue of Pan Am 103, still searching and hunting for the people who not only masterminded that bombing but carried it out. The threat remains. It is ready to rear its ugly and dangerous head the first moment it can in time of crisis.

What is the response of the intelligence community in terms of how long it is going to take to train an agent to go into the field to develop the language skills, develop a sense of culture, and the ability to walk down a street in a foreign country, particularly in the Middle East, so that they will not be detected, but be in a position to gather information that they can send back to the intelligence community and to us so we can calculate exactly what the intentions of foreign governments are?

How long? Is it a long process, 8, 10 years, 12 years? It is expensive?

Mr. BOREN. I say to my colleague, we can talk about 8 years, 10 years, and 12 years. It is certainly much closer to a time estimate than 1, or 2, or 3 years would be. Obviously, it is a very long-term, long lead time in this area.

One of the things we are paying for is the reduction of our human intelligence community capability during the 1970's particularly during the late seventies. It has taken an enormous amount of time now for us to rebuild that capability to get people back to language skills and, as the Senator has indicated, who have the ability to blend into the cultural setting in those countries in which we ask them to go.

So you have to identify people very often. We start out identifying people very early on in trying to attract their interest early enough and their educational experience so they can again equip themselves. It is not only a matter of people learning the languages, which often are very difficult to learn, but also learning the culture inside out so that they do not make comments or make slips which would then identify them, for example, as foreign nationals. It also identifies people by parents who fit into a particular setting. Perhaps we would have even ties by family or otherwise in some areas which can be very important.

It is not easy. It is one of the hardest things in the world to penetrate; for example, a terrorist unit which is often very small in which the people know each other and in which they are going to very carefully scrutinize any new person who walks in.

It is not as if you could pick someone from the Southwest talking about the United States, say we can recruit any person and send them in and as long as they have the right accent in terms of the way they speak and right appearance they can make in. When you get into terrorist groups, infiltrating a small neighborhood of 8 or 10 houses where everyone has known each other for the last 50 years, they look askance, and are going to put under the microscope anyone new coming in.

So developing this kind of human intelligence capability is a very, very difficult task, and it is absolutely essential, in many ways easier, to develop the kind of experts who understood what various kinds of Russian military communications meant, who become experts, let us say, on the military Russian order of battle, to know when we needed to go the higher state of alert. Those are the kinds of things that can be taught and learned and put in place. They are not predictable. There is a pattern.

In many respects it is dealing with situations in other regions of the world where we have the potential—expecially if some of these nations acquire weapons of mass destruction and the ability to deliver them—to understand intentions, to understand political currents, understand the people may not always act in accordance with what we would view as their logical self-interest—they are very unpredictable—to develop the ability of people who can go in either as agents to collect the intelligence or analysts to look at the moving sides produced by information coming from those agents; and, have the background and the insight to understand it requires a great deal of investment and requires a great deal of time.

We are changing our priorities. We are shifting, for example, as we have seen the Soviet military threat decline to at least a certain degree, although I think we have a long way to go in understanding fully what is going on inside the Russian military, and whether or not they are completely on a day-by-day basis under the full control of civilian authorities, at least in terms of their own policy objectives. We are a long way from that. But the relative Soviet military threat has declined.

We have shifted resources. We are not sitting here. The intelligence community is still pouring billions of dollars into the community in the same way as we would have done if the cold war were still a threat, the Soviet military threat were really at its peak, and the Warsaw Pact were still in existence and a threat. Of course not.

We have already begun to rechannel, we have already begun to reorganize, we have already shifted resources out of some of those programs, the Warsaw Pact, which is no longer there. We are building up new strengths of human intelligence in new areas of the world where our vital interests are at stake.

We have done that in this budget proposal from the intelligence community, this kind of restructure, this kind of reordering of priorities, looking at environmental challenges, terrorism, looking at proliferation of weapons and regional conflicts in a way that shifts those financial resources from the old areas to the new challenges. And we have managed to do that all at the same time we have subjected the community to a cut of $1.5 billion.

So it is not as if we have our head in the sand. It is not as if we are arguing for the status quo. It is not as if we are saying we do not know in the intelligence community that the world has changed. We do know it has changed. But at the same time, we are mindful of the fact we have fewer forces in forward positions around the world, with less predictability in the world than we had even a year ago. We must assure the American people that we have sufficient intelligence resources to do the job.

While I assume I will give up this position as chairman of the Intelligence Committee as I rotate off this committee, I am not about to be a person who comes as chairman of the Senate Intelligence Committee who recommends cuts beyond the level that I think is safe for the security of this country. I simply cannot in conscience do that.

I think we have struck here the right balance. We are making a contribution to deficit reduction. We are restructuring the intelligence. We are changing our priorities and on a timetable which will allow us, unless the world turns off in a totally different direction, to continue to make savings and to continue to restructure. We should do that. We should do it on the basis of a timetable, and in a way that is responsible to the American people and to the national security interests of this country.

Mr. COHEN. Let me say to my friend, I think the chairman, as he is completing his 8 years of service on that committee, has done a truly heroic job. I think he has taken that committee from a position of perhaps being demoralized, and raised it to a level in terms of its staff and the interests of the members over that period of time to one in which it is one of the finest committees in the Senate.

I suggest to my colleagues that for the kind of work that you and the members of that committee have put into developing this budget, for Members to come to the floor and just get up and say let us whack out another $1 billion, and we do not care how or where you do it, just take it out, I think is a rejection of the work of the distinguished chairman. I think it is a terrible indictment of the committee itself, and I truly hope that our colleagues will not engage in a rejection of the hard work that the Senator from Oklahoma has really devoted during the last 8 years to this intelligence budget.

Mr. BOREN. Mr. President, I thank my colleague for the generous remarks. As he knows, it has been a privilege to work in that capacity on behalf of the Senate. It has been a particular pleasure to have the opportunity to work with him during the time he was vice chairman of that committee, because in every case in which I observed him, he made the decisions and took the positions he sincerely felt were in the best interest of our country and national security interests. I appreciate that, without regard to any kind of political impact. I value the statement he just made.

I want to say quickly, in summing up, and again to point out to my colleagues what has been done. The committee's markup which is now before you of the national intelligence budget reflects not only a significant reduction in funds this year, but as I was saying, more important, it puts in place a framework for future reductions based on a fundamental restructuring and downsizing of the intelligence community.

We do this, first, by drastically cutting spending on programs that were designed against the cold war threat. However, we also need to preserve our capability to monitor arms control treaties. We have retained the core capabilities to allow us to do this. We have recommended substantial savings in security costs as a result of the changed nature of the old Soviet threat and new administration directives.

We recommended canceling the acquisition of new satellites, significant upgrades to existing systems, and accelerating the consolidation and integration of older systems to force the intelligence community toward cheaper collection alternatives.

The goal here is to force a zero-based review of national technical collection systems to ensure that the Nation has the right collection mix to address future intelligence requirements at the lowest possible cost.

I believe that we have cut all we can in this area for this year. Deeper cuts, in my judgment, will risk our not having the eyes and ears to monitor arms control agreements, or keep on top of the next international crisis.

I do not want to see it slow the pace of these arms control agreements.

We have put into place a policy for achieving significant personnel reductions, which will also achieve savings over the long run.

In addition to these savings, the committee took other actions which are of equal, if not greater, importance. We have reordered almost $1 billion—in addition to cutting $1½ billion, if you include the earlier recession—we have reordered almost $1 billion in intelligence spending in four key areas that we believe move our agencies toward meeting intelligence requirements.

So we have cut more than $1 billion net, or something like $2 billion net out of what we call the old cold war programs and transferred $1 billion of that over into new priorities.

We made significant enhancements to human source collection—called Humint—an initiative the Intelligence Committee began 2 years ago. Our experience in the gulf war suggests that understanding the intentions of our adversaries are as important as knowing the number of tanks and missiles they possess, and only Humint can provide decisionmakers with insights in this area.

We moved to protect the intelligence technology base by funding an aggressive research and development initiative. R&D provides the seed corn for addressing future needs and opportunities in a world in which the United States could face new challenges. It provides us with a base with which we can react in a world in which unforeseen events are almost guaranteed to occur.

We also provided funding for collection against new and growing concerns like proliferation of chemical and biological weapons, international narcotics trafficking, and the continuing threat from terrorism against American interests abroad.

Finally, the committee is examining ways to leverage the tremendous investments we have already made against future priorities.

For example, we have worked with Senator GORE to establish an environmental task force comprised of prominent environmental scientists who will examine the possibility of using intelligence information and a technology base to increase our understanding of environmental issues; using existing resources we have already paid for to give us information about the environment that is needed on an international basis. We adopted an amendment offered by Senator KERREY of Nebraska to examine the feasibility of exporting some of our satellites and other technologies, an area where I think we have a clear competitive advantage. We have to do it in a way that we do not give away capabilities that must remain uniquely ours. It is a way we can achieve commercial returns on our investments.

It is true that the national intelligence budget has doubled in real terms over the past decade. Some will use that fact to support the argument for deeper reductions to intelligence.

But this statistic needs to be put into perspective. Part of the reason the

growth was so high was that we were starting from a point at which the intelligence budget was very, very modest, compared to the budget of the Department of Defense. Even now, national intelligence spending represents a very small percentage of the overall defense budget. And it enables us to make some of those cuts in defense, because with the information we have and the earlier warning you have, you can multiply the benefit of the defense forces that you have.

Although most intelligence expenses are buried in the defense budget, the intelligence community does not support the military exclusively. Intelligence provides critical information on international trade issues, arms control, diplomatic negotiations, and other U.S. national security interests.

Nevertheless, I agree that the intelligence budget is still too large, even after the $1 billion cut my committee has recommended. But we must make these recommendations in a responsible way as reductions. We must ensure that our country has no collection gaps, and that we retain sufficient investment to address the future in such areas as chemical, biological, and missile proliferation, counternarcotics, and support to contingency operations.

So I believe that the committee, while more savings can be achieved in the future, has put in place, with the $1.5 billion of savings, a framework, along with our recommendations for reorganization, for fundamentally restructuring and downsizing the intelligence community. To cut deeper than we have already recommended, along with the other changes that we are now making this year, will risk jeopardizing our intelligence capabilities by downsizing too quickly, or on an orderly path. We made the cuts in an orderly way.

We can say to the people we have saved money by restructuring the intelligence community but not in a way that jeopardizes our national security interests. We have not deprived ourselves of the means of knowing what we may well need to know in a world that is changing as much as it is. I appeal to my colleagues, let us do this in an orderly way. Let us do this step by step. Let us do this on the right timetable. Yes, let us downsize, and let us make sure that we do not shirk our responsibilities to provide for the national security interests.

We are not a standing committee of the Senate. There is no separate appropriation for intelligence. Perhaps some day there should be. We should find, I think, a way to have a clearer debate about these issues in public. But under the rules of the Senate, once our committee has completed its deliberation, our bill is sequentially referred to the Senate Armed Services Committee. I note to my colleagues that every year since I have been chairman, after we report our intelligence authorization bill to the Senate, I, along with the vice chairman, first Senator COHEN, and now Senator MURKOWSKI, have written to all 100 Members of the Senate inviting them to review our work and brief our staff, as has been said. And I have said in answer to Senator COHEN, only one Senator accepted that invitation. Senator NUNN and his colleagues scrutinized our action.

The Armed Services Committee members agreed that a $1 billion cut for fiscal year 1993 was about right. Senator NUNN and Senator WARNER have agreed with our Members to pass on the savings to the Treasury for deficit reduction. The Defense Appropriations Subcommittee, upon which the Senator from Arkansas serves, concurred this week. The committee under the able leadership of the Senator from Alaska, the Senator from Hawaii, that a $1 billion cut was appropriate, as did the full Appropriations Committee. By my account that means that well over half of the Senate has already had the ability to review the actions of the Senate Intelligence Committee, and the House Intelligence Committee also agreed that a cut in the neighborhood of $1 billion was about right.

A consensus has emerged.

We all believe the intelligence budget must be downsized, but we have to do it in an orderly way.

U.S. intelligence can no longer be all things to all people. The unrestrained growth of the 1980's is over. The community must now focus on qualitative improvements to ensure its product makes a difference, that it provide the President and senior policymakers with truly unique information unavailable from other sources.

We all believe this must be done in a coherent manner—with a careful eye to the flexibility of the President, whether this President or a new President, must have to achieve our national security objectives.

So I will conclude simply by saying to my colleagues that I and my colleagues on the Intelligence Committee view ourselves as trustees for the entire Senate.

The committee has worked very hard and the staff works very hard in meeting those responsibilities in a bipartisan fashion.

We have identified $500 million in cuts for the fiscal year 1992 rescission package. We have had identified $1 billion in cuts for the fiscal year 1993 request. We have taken $1.5 billion from the base of intelligence expenditures.

As chairman of the committee, I am here to tell my colleagues that to do more at this point would, in my view, be detrimental to our national security.

I hope that my colleagues would trust the judgment of the members of the committee, the bipartisan membership of this committee, and not take action in a way that is not in the best interests of our country and will vote in opposition to the Bumpers amendment.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, we have been on this matter now for 3 hours. I wonder if I might discuss with the Senator from Arkansas and others—I know there are other Members waiting to speak—if it would be possible to set a time certain to vote on this amendment. We have passed the hour of 6 o'clock, so we could vote almost at any time. But I would like to suggest perhaps not more than an hour more, equally divided, under the control of the Senator from Arkansas and the Senator from Hawaii.

Mr. BUMPERS. I am certainly willing to enter into a time agreement. My good friend from Illinois wants at least 10 minutes. I believe Senator SASSER would probably want another 10 minutes. Why do we not do this? Why do we not say 1 hour and 10 minutes, equally divided?

Mr. STEVENS. I am prepared to try and clear that time. I think we can clear it. The Senator would propose to vote somewhere around 7:30.

Mr. BOREN. Mr. President, I would say to my colleague from Alaska I do not believe we would require quite that much time on this side. I think the Senator from Ohio may wish to speak and the Senator from Rhode Island wishes to speak. We could probably do it in a little less time. If we could cut it maybe to an hour. I know there are several Members who are tying to attend a gathering tonight from both sides of the aisle. If we needed 5 extra minutes, I would be happy to yield that to him from this side. I think we could hold it to an hour.

Mr. BUMPERS. I would like to reserve 35 minutes on this side. However you want to work that out is fine with me.

Mr. BOREN. I am happy to reserve 25 minutes on this side and that way it would give us an hour total.

Mr. STEVENS. Are you talking about the opposition to the Senator's amendment?

Mr. BOREN. Yes.

Mr. STEVENS. I would like to suggest a time certain so we do not have any misunderstanding. If we voted at 7:30——

Mr. BOREN. 7:15.

Mr. STEVENS. No, we are talking about 7:30.

Mr. BUMPERS. We are suggesting that we vote at 7:15, with 35 minutes for the proponents and 25 minutes for the opponents. Why can we not agree to that?

Mr. BOREN. That would be agreeable on this side.

Mr. STEVENS. It is not agreeable on this side. If we are going to go beyond

7 o'clock, we are asking then to go to 7:30.

Mr. BUMPERS. I cannot agree to vote at a time certain unless we have the time allocated.

Mr. STEVENS. I am agreeable to the time allocated, equally divided.

Mr. BUMPERS. Does the Senator want to set the time certain at 7:30, with the time equally divided?

Mr. STEVENS. I would be happy to set it at 7 o'clock.

Mr. BUMPERS. I cannot do that. I will set it for 7:30, with the time equally divided, or 7:15, with the time equally divided.

Mr. CHAFEE. Mr. President, I have a suggestion here. We have 45 minutes to 7 o'clock. How much time does the Senator's side want, total?

Mr. BUMPERS. Thirty-five minutes.

Mr. CHAFEE. Can you not cut it down a little bit?

Mr. BUMPERS. I might hand you back 5 or 10 minutes. I just want to be on the safe side. I have people that wish to speak.

Mr. BOREN. I am informed that we need to discuss this matter with the distinguished majority leader, who is not on the floor right now.

I suggest we allow Senators to speak and we will revisit this question very, very soon.

Mr. STEVENS. I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I have had an interest in this intelligence process for some time. I was taking my Army basic training at Fort Riley, KS, and all of the sudden I heard the FBI was checking me out. I could not figure out what I had done to cause the FBI to check me out.

One day, I was called to the orderly room and they said, "Would you like to be trained as a special agent for the counterintelligence corps?"

I do not know that I had even heard of the counterintelligence corps, but it sounded as good as anything I knew of. I was in heavy infantry basic training and it sounded better than heavy infantry, so I said yes. And I was trained at Fort Holabird and was sent over to Germany, lived in civilian clothes in a home along the edge of the Iron Curtain.

I learned that we have to be very careful in this intelligence process. This happened to be in the McCarthy era when I was trained at Fort Holabird.

I remember one of the instructors going through things that might indicate someone might have Communist affiliations or tendencies. And I remember one of the instructors said, Fredric March gave a substantial amount to the Yugoslav Children's Relief Fund; therefore, he was suspect. And there was just a whole series of that kind of thing taking place.

And I remember sending a letter to the editor of the St. Louis Post-Dispatch, who happened to be a personal friend—it was a personal letter, not a letter for publication—saying you really ought to check into what is happening in the intelligence community in this country and I cited a number of examples from what had happened in our classes. I remember getting the letter in response saying, you have to be careful what you say and write these days. It might not be safe.

Democracy is a very careful balance between security and freedom. And when we get too far on the security side, we lose democracy.

Now I am not suggesting that Robert Gates or Judge Sessions or anyone else involved in security right now is out of balance. But inevitably, when you work with those who are on the security side, there are those who believe excessively in the security side of things.

And even in this body, why can we not declassify the amount that is spent?

My friend from Maine, Senator COHEN, said, when we suggest that we ought to declassify this and give the total amount spent, we somehow have a lack of confidence in those who serve on the Intelligence Committee or those who serve on the Armed Services Committee.

I heard the Senator from Tennessee, Senator SASSER, mention before what we are spending in terms relative to other amounts.

But why can we not—not just Senators, not just House Members—why cannot my barber find out what we are spending on intelligence? Why cannot every citizen?

Senator MOYNIHAN said, "Secrecy is the enemy of good conclusions." Secrecy is also the enemy of democracy. Access to facts and how those facts are reached is extremely important.

I recall Senator MOYNIHAN pointing out, not today but on past occasions, that the exaggerated conclusions of the potential of the Soviet Union resulted in wasting tens of billions, perhaps hundreds of billions of dollars. And the whole question of constitutionality that he raised is a very, very interesting question that I do not know has ever been probed.

Senator MOYNIHAN also mentioned that he has that plaque on the wall, given to him by the CIA and the intelligence community for his contribution. I got thinking about it. There have been more than 30 colleges and universities who, in moments of generosity, have given me honorary doctorates, but I only have two on the wall: One from Georgetown University, one from Haverford College. Why? They are both written in Latin. There is some attractiveness to mystery. And that is the appeal of intelligence, I think. This is something that has great appeal.

We have to use common sense in this area. The world has changed. We have not changed here in the U.S. Senate. My colleague, the highly respected chairman of the Senate Budget Committee, said here a few minutes ago that in the 1980's intelligence spending increased 20 times faster than defense spending. We are now spending at the Federal level more money on intelligence gathering than we are spending on education. We are spending more on intelligence gathering than we are spending on foreign aid and all of our diplomatic efforts combined. It just does not make sense.

I am aware, if my political antennae are accurate—I am aware that this amendment probably is going to be defeated. I hope I am wrong. But just to irrationally go along, year after year after year, spending money recklessly—and I think that is what we are doing—to perpetuate institutions that have grown up, just does not make sense. I hope we will adopt the amendment of our colleague from Arkansas. It is a small step in the right direction.

And to my friend from Tennessee, if I may have his attention for just a moment, we will illustrate, I fear, with a vote on the Bumpers amendment, why we need a constitutional amendment for a balanced budget. Because what we do is we compromise around here. Do you know how we compromise? Some people want a super collider. I voted for that. I think it is necessary. Some people want that space station. I voted against that one, costing $50 to $100 billion or whatever it is. Some people say we ought to keep spending money on intelligence; oh, yes, the Soviet threat has disappeared but this is such a nice project to spend money on, intelligence. No one questions the need for that.

So we compromise by spending money on all of them. And that is what we do year, after year, after year. Somehow we need something that is going to discipline us. My hope is one of these days we will adopt a constitutional amendment. Unless somehow we find we have the good sense to start adopting amendments like this. But that day I do not think is here. And I doubt that day will ever come.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, as our distinguished chairman has already pointed out, the Intelligence Committee reduced the President's request for the National Foreign Intelligence Program by $1 billion for fiscal year 1993. We also recommended $700 million in cuts to tactical intelligence programs. We were able to make these reductions, without damaging important capabilities, by eliminating programs that in most cases had been related to the now defunct threat of a Soviet invasion of Western Europe.

In considering whether or not further, deep reductions are warranted, I would like to suggest some questions for my colleagues to consider:

Do we care less today about the situation in Bosnia than we did last month? I seem to recall that several weeks ago this Chamber was ringing with impassioned pleas for a U.N. resolution authorizing all necessary means to ensure access to detention camps and the delivery of humanitarian supplies in Bosnia. Don't we still want to know about the detention camps and what is going on inside them? Do we still care which countries are evading the economic embargo on Serbia, and what the prospects are for this conflict to spread?

Do we care less about the issues of proliferation and human rights in China than we did earlier this month when the Senate again voted to revoke MFN status for China?

Are we less concerned today about nuclear proliferation than we were last week when a majority voted to support a U.S. nuclear testing moratorium? I supported the moratorium.

Are we less concerned today than we have been in the past about the threat of terrorism or the problem of illegal narcotics?

Are we less concerned today about the volatile situation in Iraq, or the stability of the countries that have emerged from the wreckage of the Soviet empire? Are we content to ignore the situation in Central Asia, where there has been fighting in Tajikistan, Afghanistan, Armenia and Azerbaijan, Georgia, and Moldova?

Has anyone made an assessment of the impact of these proposed cuts on U.S. capabilities for monitoring the START Treaty, which will soon come before the Senate for ratification? In that same regard, is the Senate content to assume that President Yeltsin has everything under control in Russia, and that he can successfully transform that vast and diverse country, still in upheaval, into a stable democracy?

Mr. President, has the world become so transformed in recent weeks that all of those who have professed concern about these issues now believe that we can slash programs that provide critical information regarding narcotics, international terrorism, weapons proliferation, arms control, and human rights violations?

Mr. President, does it make sense to take a meat-ax approach to reductions in the intelligence budget while we are simultaneously implementing dramatic reductions in defense expenditures? This is the logical equivalent of saying that since we are driving a smaller and less safe car we don't need an airbag. Unfortunately, Mr. President, the world is full of surprises.

Who among us suspected in July 1990 that our country was on the verge of becoming involved in a war in the Middle East? Who among us can predict what next year will bring?

I can tell you this, Mr. President, Gen. Norman Schwarzkopf did not come before the Intelligence Committee and ask for smaller intelligence budgets or less intelligence support. He felt that some programs should be reduced and others expanded. He wanted changes, but he, like all commanders, wanted more information, not less.

Mr. President, we are living in an era that some have referred to as the age of information. I am currently serving my second stint on the Intelligence Committee, and I believe it is accurate to say that I have spent more time serving on that panel than any Member of either the House or Senate. I have yet to see an agency or department indicate that its requirements for information are declining. In fact, the intelligence community today is finding that it is getting new missions, including greater support on international economic and environmental issues.

To those of my colleagues who have not served on the Intelligence Committee, who wonder what advantages the taxpayer derives from intelligence spending, I would like to make a suggestion. Get a briefing from the intelligence community on its activities in support of the military during the Persian Gulf war. Get a briefing on the situation in Bosnia today, and ask about the number and disposition of detention camps, and get an assessment of the prospects for the conflict in the Balkans to spread. Get a briefing regarding China and the issue of weapons proliferation. And while you are at it, get a briefing on our ability to monitor the START, CFE, INF, and biological weapons treaties. If you do I think you will find, as I have, that our capabilities are already thinly stretched, and that the intelligence community is in fact producing and distributing large amounts of valuable information that is not available on CNN.

Mr. President, this administration did not request any reductions in intelligence expenditures. It has been this administration's view that intelligence serves an important warning function, and that at a time when we are reducing our military strength by at least 25 percent, it is all the more important to have early warning of impending conflicts or arms control violations. Our committee nevertheless recommended cuts that will force the intelligence community to get by next year with roughly $1 billion less than it had this year. Our committee also recommended large cuts in the tactical intelligence program. I believe we have acted responsibly, balancing budget pressures against the requirements of military and civilian policymakers. We made specific, targeted reductions against programs that we believe are no longer required. We did not simply make a large, unallocated, across-the-board reduction as the Senator from Arkansas proposes to do.

Mr. President, the intelligence community sometimes produces incorrect or slipshod analysis and it sometimes fails to provide warning. But my colleagues should understand that most of the money in the intelligence budget is in collection. It is in taking pictures of the battle lines in Iraq or facilities believed to be involved in weapons production; it is in trying either to protect our communications or intercept someone elses' it is in penetrating terrorist and narcotrafficking organizations and hostile governments. Most of that information is in fact valuable, and most of it is put to good use. In fact, the NRO, NSA, and CIA are already unable to process many of the requests they receive because assets that are looking at say, Bosnia, are not available to monitor the situation in Somalia or Armenia. So I would caution my colleagues that while reductions can certainly be made in intelligence spending, there are still many bottlenecks and many requirements that go unfilled every day.

Mr. President, we cannot highlight in the discussions on this floor the successes the intelligence community has enjoyed, although the proponents of this amendment are free to tout shortcomings and failures. But there are many successes as well as failures, and the public should not be misled.

In closing, Mr. President, I would say that I believe the committee has acted in the finest, bipartisan tradition of the Senate in producing our authorization bill. Frankly, we are already making cuts that will result in the loss of some unique capabilities that we may someday come to regret. But we recognize the need for cuts and have therefore produced a bill that trims what we believe are marginal programs while preserving important functions. I urge my colleagues to reject the amendment.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Senators METZENBAUM, WELLSTONE, and HOLLINGS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Will the Senator yield?

Mr. BUMPERS. Yes.

Mr. STEVENS. Is it possible now to discuss a time certain to vote, now that the speakers have gone? Could we agree now to vote at 7 o'clock?

Mr. BUMPERS. To vote at 7?

Mr. STEVENS. Yes; time equally divided in the usual form.

Mr. BUMPERS. I cannot do that.

Mr. STEVENS. Very well. I thank the Senator.

Mr. BUMPERS. Mr. President, I will say I wanted to offer this amendment

and an amendment on the Trident II missile on the authorization bill. The distinguished Senator from Georgia, Senator NUNN, said if you offer those amendments, we will never get out of here and we will have a Saturday session. I did not want to be the culprit that caused a Saturday session, so I agreed to postpone it, even though it meant offering the amendment on a bill from a committee on which I sit; namely, the Defense Appropriations Subcommittee.

So I want to apologize to both my chairman, Senator INOUYE, and the ranking member, Senator STEVENS, for offering this amendment on the defense appropriations bill. As I say, I sit on that committee and I do not like the idea of offering amendments in opposition to the bill out of our committee. But as I say, I was prevailed upon not to offer it on the authorization bill so we would not have a Saturday session.

I, personally, think Senator INOUYE and Senator STEVENS have done an outstanding job on the bill. I just happen to believe there are a couple of areas where we can save a lot of money for the taxpayers of this country and not jeopardize the security of this Nation one scintilla.

Mr. President, it seems to me that what we are doing with the intelligence budget is we are trying to protect ourselves against every possible scenario anybody can conjure up. It reminds me of the Secret Service protecting the President. Now there is a budget that has just gone completely out of sight in the last 20 years. When you consider the fact that this budget has gone up well over 100 percent just during the decade of the eighties, obviously people keep thinking up scary scenarios. It reminds me of a Saturday night bunking party, where the first person who tells a scary story does not have a chance and the next person is going to make it a lot more scary.

The Senator from Maine pointed out a series of intelligence failures: Panama, Grenada, where we had to use tourist maps to find out what kind of topography and where the roads were in Grenada; and then in Libya, there were a lot of complaints about the lack of correct intelligence; in Panama, the stories about intelligence failures were legion. I remember in the story of Grenada, incidentally, one soldier used his credit card to call home to find out some kind of piece of information about where they ought to go.

And then, of course, I remember General Schwarzkopf complaining loudly about the battle damage assessments furnished him during the Desert Storm war and how he said they were utterly worthless. The Director of Central Intelligence has said, since that time, that they have reassessed it and they are not so critical.

But the point I want to make is, after the Senator from Maine listed all of those failures in intelligence in this country, one wants to ask what were they doing with the money? This budget has been pretty big even before the Soviet Union exploded.

Mr. SASSER. Will the Senator just yield for a question?

Mr. BUMPERS. I will be happy to yield.

Mr. SASSER. Mr. President, I did not join in this amendment today to cast aspersions on the intelligence community in general or the Central Intelligence Agency in particular. It is my view that they do the best they can and that in some cases they are right and in some cases they are wrong, and in some cases they miss altogether. But if we are going to start talking about failures in the intelligence community, the Senator is aware, I am sure, that the intelligence community made major miscalculations about Vietnam. Tens of thousands of lives were lost there as a result of the disastrous course this Nation went down.

Mr. President, is the Senator aware that United States intelligence failed to predict the fall of Iran, the capture of the United States Embassy and the fact that the Shah himself would be driven from his own nation? Just as recently as the 1980's, after the intelligence budget was increased 100 percent in real dollars, 100 percent increase corrected for inflation during the decade of the 1980's, the intelligence community failed to predict that Iraq would invade Kuwait. We had no indication of that in this body.

And later, and perhaps as glaring or even more glaring, the intelligence community failed to predict the weakness of the Iraqi military establishment. The Iraqis turned out to be, thank God, paper tigers. The United States military forces and associated military forces went through the Iraqi military like a hot knife goes through a stick of butter. But if the Senator will remember, that is not the kind of information we were getting about the prowess of the Iraqi military forces. That is to say nothing about how United States intelligence agencies have systematically, over a period of 30 years at least, grossly overestimated Soviet military capabilities. And certainly, even though we increased funding for the intelligence community by 100 percent during the decade of the 1980's, they failed to anticipate the collapse of communism; they failed to predict, as far as I know, the overthrow of Gorbachev; and we continue to receive figures that are incorrect and faulty on the economic situation in the former Soviet Union.

Today, of course, there are former members of the Central Intelligence Agency facing criminal prosecution for not telling the Congress of the United States the truth.

I did not join in this amendment to raise the problems and the apparent failures or misdeeds of the intelligence apparatus. I joined in with the Senator from Arkansas simply because we thought, once again, we might be able to make a very small dollar savings.

I interrupt the Senator just to ask him if he was aware of these intelligence failures over the past 15 to 20 years?

Mr. BUMPERS. Mr. President, I am familiar with those and several others that I cannot discuss on the floor. I wish we could talk about all of those briefings before Desert Storm, but you cannot do it. One of the unhealthy things here is that you cannot discuss this thing openly unless you are on the committee.

I started off my remarks earlier saying, and I want to repeat, I did not come to the floor to offer this amendment to trash the CIA, the DIA, Navy intelligence, Army intelligence, the National Security Council, or anybody else. As the Senator from Tennessee correctly pointed out, sometimes they are right, oftentimes they are wrong.

But I also want to say that I am just like the Senator from Tennessee. I thought we might save an additional $1 billion but nobody around here seems to honor or pay tribute to $1 billion. It is just chicken feed and it is not worth having this long debate.

Let me also say to the Senator that somehow or other the Intelligence Committee and the Armed Services Committee can cut $1 billion out of the budget, which they did, but they say that is the perfect level; if you take another penny out, you are destroying the intelligence apparatus of this Nation.

And yet it is the Director of Central Intelligence who says in his letter to every single Senator we are trying to downgrade, and we are going to downgrade, the intelligence apparatus of this Nation. But Senators who are opposed to the amendment say if you do it now, it will have a disastrous consequence.

Mr. SASSER. Will the Senator yield on that one point?

Mr. BUMPERS. I will be happy to yield.

Mr. SASSER. Will the Senator explain this rationale to me. The Director of the Central Intelligence Agency tells us in his letter that as of 1980, 58 percent of intelligence resources went to gathering intelligence on the Soviet Union.

Mr. BUMPERS. As recently as 1990.

Mr. SASSER. As recently as 1990.

Mr. BUMPERS. Fifty-five percent of the intelligence budget went to spy on the Soviet Union.

Mr. SASSER. If we increased the intelligence budget, as the House Appropriations Committee reports in the report accompanying their legislation, by 100 percent in real dollars during the decade of the 1980's, and 58 percent of those resources were being used to

spy, or gather intelligence on the Soviet Union, and the Director of the Central Intelligence Agency now tells us in his letter that the percent of their energies and resources developed to spying on the old Soviet Union has now been reduced to 34 percent—where did the money go? I believe that is what he said, is that not correct?

Mr. BUMPERS. The Senator is correct. It may be that the 1990 figure is 50 percent. The 1980 figure was 58 percent. But it is in that range. It is in the fifties.

Mr. SASSER. In any case, we are talking about a reduction of energy and resources being used to spy on, or gather intelligence on the old Soviet Union somewhere in the neighborhood of from 58 percent down to 34 percent. So you have 20 percent of the resources of the intelligence community available for other things, that is what I am saying.

Now, I am asking my friend from Arkansas this. With 20 percent of available resources available to be used for other things than gathering intelligence on the Soviet Union, how can a reduction in funding of between 2 and 4 percent, as we propose, possibly damage our ability to gather intelligence? We still have more than adequate funding, it would appear to me.

Mr. BUMPERS. Mr. President, if I may just rephrase the question slightly, when you consider a 20-percent reduction of the money we used to use as recently as 2 years ago to spy on the Soviet Union, a very legitimate question would be what on Earth are they doing with that money? Surely we are not spending that amount of money to spy on Bosnia. I do not know where the money could be going. But I think it would be interesting to know. But as the Senator knows, everything is so classified you cannot talk about it.

Mr. RIEGLE. Will the Senator yield for a minute on that point?

Mr. BUMPERS. Yes.

Mr. RIEGLE. We spent all this money to find out what was going on in the Soviet Union, and apparently we did not know what was going on in the Soviet Union. The Soviet Union was about to collapse, and we spent all this money, and apparently we were not able to figure that out ahead of time, and we were taken by surprise. It sounds to me like we spent a lot of money and did not get anything for it.

Mr. BUMPERS. Let me say to the Senator from Michigan, the Senator from Tennessee and I were talking about that very point and we specifically said, and I want to reemphasize, we did not come here to trash the intelligence community and dramatize their failures, and they have been legion. But that is not the purpose of the amendment, to call attention to their shortcomings. I assume they have often been right. I do not know. The President of the United States could probably answer that better than I could.

But I tell you something else, there are members of the Intelligence Committee who are going to vote for this amendment. There are not a solid block of Senators on the Intelligence Committee. Some are going to vote for this amendment. And I assume they are privy to the same information others have been privy to.

The Senator from Maine said the people who offer this amendment criticize the Intelligence Committee and the Armed Services Committee and the Pentagon, but they are the same ones who favor arms control.

Now, I am not sure what the relevance of all this is. But he engaged the Senator from Oklahoma in a colloquy: Have Senator BUMPERS or any of the people who are offering this amendment ever talked to you about cutting this? And the Senator from Oklahoma answered honestly, yes, he has talked to me about it a number of times.

Mr. SASSER. If the Senator will yield just on that one point, I recall very well going to a briefing in the Intelligence Committee room in which we were briefed on the question of the intelligence budget and perhaps what reductions might be anticipated, and I believe the Senator from Arkansas was present at that briefing.

Mr. BUMPERS. The Senator from Tennessee and I sat side by side for roughly 2½ hours as the whole thing was presented to Senators who were not members of that committee.

Mr. SASSER. And the Senator may recall, if I may refresh the Senator, the meeting was presided over by the distinguished chairman of the Intelligence Committee, Senator BOREN of Oklahoma. And we were there—I was there, as I recall, at his invitation. And I very much appreciated that invitation.

Mr. BUMPERS. I did, too. And I would like to express again my gratitude to the Senator from Oklahoma for inviting nonmembers in to hear that briefing.

Mr. SASSER. If my friend would yield on just one other point, the implication was made on the floor that those who support the amendment being offered by my friend from Arkansas in some way were implying disrespect for the chairman of the committee or the committee itself. Well, nothing could be further from the actual truth. I do not think any Senator has an obligation simply to rubber stamp any funding measure that comes before the body. We, the Senator from Arkansas and I, spent a number of hours on an amendment to reduce funding for the strategic defense initiative. We certainly did not mean that as a sign of disrespect to the distinguished chairman of the Armed Services Committee or the members of his committee, or were we challenging their judgment.

It was simply a matter of disagreement. That is what debate on the floor is all about, as I understand it. I want to set the record straight on that, if I may.

Mr. BUMPERS. If I may interrupt the Senator just to point out another fact, not only have I attended briefings, not only have I discussed it at great length with the Senator from Oklahoma, the chairman of the Intelligence Committee, not only have I gone virtually to every CIA briefing that has been offered, not only did I go to S whatever it is over there for all of the briefings on Desert Storm, not only have I been up there as recently as today to go, once again, over the entire budget; in addition to that, the former Director of the Central Intelligence Agency, William Colby, who ran the CIA for several years, said, "You ought to cut it by billions." You do not have to believe what I said or what the Senator from Tennessee said. Here is a guy who ran it. He said, "You ought to cut billions."

Lt. Gen. William Odom, Director of the National Security Administration, says you ought to cut the whole apparatus for billions. As I say, these people are not mavericks. They are not new boys on the block. You do not have to believe what I believe. You do not have to believe what the Senator from Tennessee believes. These people do not have an ax to grind.

The Senator from Maine says the people who are offering this amendment are the first to call for humanitarian aid for Sarajevo. Has the Senator ever called for aid for Sarajevo?

Mr. SASSER. I do not recall having done that, although it is possible.

Mr. BUMPERS. It is fine with me. I can promise you I have not called for humanitarian aid or relief for Sarajevo. That has not been a No. 1 priority on my list. That is a non sequitur as far as I am concerned.

Mr. SASSER. If the Senator will yield for just one other point here, while we are discussing the statements made here on the floor, the statement was made, I think directed to me, because the statement was: If the Senator from Tennessee does not know what is in the intelligence budget, it is his own fault.

Well, I do know generally what is in the intelligence budget. I accompanied the Senator from Arkansas as we went over the intelligence budget together this afternoon and sat in on the briefing that occurred in the Intelligence Committee room some weeks ago. But the Senator from Arkansas may not be aware of this fact. I asked to have a member of the Senate Budget Committee staff, who had all the proper clearances, as a matter of fact, to allow this individual to go over the budgets. I was refused.

So if a Senator wants to go over the budget of the intelligence community,

he has to do it by himself. He cannot have any advice or counsel from one with expertise in that particular area. I was denied it. I think that is something that ought to be corrected around here, I say to my friend from Arkansas. I expect he will agree with that.

Mr. BUMPERS. Mr. President, I do not understand. Let me say to the Senator from Alaska, I am about prepared to vote if he is. I just want to make one last observation. That is, do you know that every branch of the services has its own intelligence-gathering operation? If you were to ask the Navy, the Army, all these branches to come in and justify their particular reason for wanting their own intelligence-gathering apparatus, I am sure they can make a very compelling argument. But there is not a member of the Intelligence Committee that will not admit to you that there is a tremendous amount of overlap in that. Everybody says, well, next year we are going to change this, we are going to change that, and the CIA and the intelligence community is going to get meaner and leaner and we are going to scale down and so on, but not yet. How many times have you heard that argument on the floor?

Mr. SASSER. The problem with that argument is that we are relying on the intelligence apparatus themselves, the agencies, the intelligence bureaucracy, to define what is leaner and meaner. It has been my experience in Government that when you rely on a bureaucracy to shrink itself, then you are going to get very, very little shrinkage. You are going to get a lot of justification, a lot of searching around for new missions. That is precisely what we are seeing now in the intelligence community, new missions to justify maintaining the size of the intelligence agencies and to maintain their budgets. Those are the facts of the matter.

Mr. BUMPERS. I am prepared to yield the floor. I want to make this observation. It is an incredible thing to me that here is a budget that doubled in the 1980's because of the Soviet threat, which no longer exists. The Soviets are willing to take you—they at one time offered on-site verification—take you to every single missile site they had, open up all their prisons. They have opened up their society. They said, "You can see anything you want to see." Yet, we are still spending 34 percent to spy on them. I am not saying that that is too much or too little. I am just simply saying that when you consider how much that is less than 2 years ago, you wonder what happened to the rest of the money.

As the Senator from Tennessee said, it is always the same story. You can always think of new scenarios to keep people from cutting the budget. The obligation we have is not to be taken by that. The obligation is to keep faith with the American people and say, "I promise you we will have a good, strong intelligence-gathering apparatus. I promise you we have funded it more than adequate; if they handled the money right, more than adequate to protect this country's security interests." And this $1 billion, this microscopic $1 billion is going to have absolutely no adverse effect on the security of this Nation.

Does the Senator from Alaska wish to enter into an agreement?

Mr. STEVENS. Mr. President, does the Senator yield the floor?

Mr. BUMPERS. Yes.

Mr. STEVENS. Mr. President, my good friend from Hawaii, who is the chairman of the subcommittee, is on his way back to the floor.

I hasten to point out that although this amendment went before the Senate at 3 o'clock, neither of us have addressed the question of how our subcommittee has handled this money yet. We are not prepared to talk at length. I merely say, while I am waiting for the Senator from Hawaii to come in, that there are 30 Democratic Members of this body and 25 Members who serve on committees that have primary jurisdiction over the intelligence-gathering apparatus of this country.

Every Member of the Senate has the right to go to room 407 and examine into this matter at any time. To my knowledge, very few people have this year. I know that we had 10 Senators when we had the hearings on this portion of the bill during the period of this past year. Senator INOUYE and I had eight other Senators join us in the examination of the intelligence community concerning matters before our subcommittee.

My good friend from Maine, Senator COHEN, who is sort of the Diamond Jim Brady of our side in terms of having a very good vocabulary, addressed this matter, as he normally would, but he borrowed one of my words. He used the word "meat ax". This is a meat-ax amendment. We have already cut this budget by over $1 billion. Any Senator that wanted to could have gone and asked specifics.

This is really not the kind of amendment that we ought to consider, in my opinion, in dealing with the intelligence apparatus of the country. No one knows what it would do to the intelligence-gathering apparatus of our country, and, in my judgment, it is just plain wrong.

I am not going to go into my normal rhetoric in dealing with my friend from Arkansas. The Senate knows that he and I are very good friends, but we often tilt verbally here on the floor. I do believe that there is no question that the net impact of his amendment would make it very difficult for us to continue on the trend line we are on. We are on a downward trend line in defense on intelligence appropriations.

We have required, in each case, that the agencies justify our coming back up. We literally have gone further than Mr. Gates wishes to go on CIA. We have gone further than the services want us to go on military intelligence.

We have worked closely with the Senate Intelligence Committee and with the Senate Armed Services Committee that has authorized this function; and we will face considerable problems when we go to conference because the House version is different from the version that we have here before the Senate.

It is a classified item. And that would be my last remark. I hope that my friend arrives soon.

When I first came to the Senate, Mr. President, it is my opinion that there were four Senators who were briefed on intelligence matters—two from appropriations and two from the Armed Services Committee. There was no Intelligence Committee, and I should add to that, I believe the two leaders were also briefed.

Today, we have fully briefed on these matters at least 55 Members of the Senate. The argument that we should both reduce the intelligence amounts in this bill by $1 billion and, as offered by the Senator from Tennessee, the suggestion that we now ought to proceed to declassify all of our intelligence activities, in my judgment, it requires further examination. I hope we will examine it next year.

I believe that those of us who are charged with the responsibility to deal with intelligence take it very seriously. I have spent more time on intelligence matters since I have been involved in defense activities than I spend on any other activity, including my duties as the Senator from Alaska. I do not understand people that say we just brush over these activities.

As the Senator from Maine said, we get little, if any, recognition from the Senate, let alone from our constituents on this activity.

I see my good friend is here, and I will yield to him. I hope that in the interest of the intelligence community and the intelligence activities that are essential to the survival of this country that the two authors of the amendment would withdraw it. If they want to come up with some specific suggestions as to how we should make reductions, as others did, and come to us with them, then I think the Senator from Hawaii and I would spend time with them to try and reconcile our differences. It is impossible for us to deal with an amendment that just says take $1 billion from this bill, when we have already done that and more.

Mr. INOUYE. Mr. President, I oppose the amendment offered by the distinguished Senator from Arkansas [Mr. BUMPERS] to reduce the amount in this bill for the National Foreign Intelligence Program. The committee al-

ready has recommended reductions to the intelligence budget that total more than $1 billion. I am not allowed to reveal what the overall total of the NFIP budget is and, therefore, I cannot publicly say exactly what the committee cut represents, but I can assure my colleagues that it is substantial.

Senators are welcome to examine the details of the recommendations of the committee, as included in an extensive classified annex and report, which accompanies our bill. Those materials have been available for all Senators and remain available for the perusal of any Senator who wishes to read, and the committee staff is available to respond to detailed or technical questions in room S-407 of the Capitol.

Mr. President, I think it is unwise to associate, on a one-for-one basis, cuts in our defense budget with cuts in our intelligence budget. There is a temptation to link the two budgets because: First, the intelligence funds are buried in the lines of the DOD budget for security reasons; and second, of course, much of our intelligence budget has been linked closely to military assessments, support to military commanders, and to the cold war.

I would have to say, however, the administration and the present Director of Central Intelligence, Mr. Gates, have made a credible attempt to shift our intelligence resources away from the cold war and into a whole series of new targets and priorities.

As a matter of record, Mr. President, and it may come as a surprise to some of my colleagues, but even at the height of the cold war, the range and diversity of the demands on our intelligence agencies was such that only some 58 percent of our intelligence resources were dedicated to the Soviet Union. Today, the resources dedicated to the former Soviet States—the Commonwealth of Independent States—consume only about a third, or 34 percent of those resources. This is the result of a major shift of money and programmatic resources, which has been accomplished in a very short period of time.

A large part of the current program, of course, is dedicated to developing a certain understanding and monitoring capability of the fate of the some 30,000 CIS nuclear warheads, and who controls them, as well as other CIS weapons' programs in the biological and chemical field, and their delivery systems. In short, the question of proliferation, and the compliance of the CIS with arms controls agreements is something I am sure every Member of this body is deeply concerned about. Much of this is new territory, but must be a top priority for the remainder of this century and beyond. To accomplish these goals is very expensive.

My colleagues want to know what is happening in the confusing, unfolding human tragedy in the former State of Yugoslavia. We expect the CIA to know who is who, and what is happening. Such an effort, particularly in a very time-sensitive situation, takes very substantial resources in collecting information from a variety of sources—human, satellite, and other special sources and technologies. This kind of flare up can happen and does happen in all regions of the world—Cambodia, Somalia, Iraq, or a variety of places in our own hemisphere.

Many places I am sure come to Senators' minds. Maintaining the capabilities needed to conduct such in-depth assessments that will be of value to policymakers and be helpful in guiding our actions are very costly. Do we want to be without them?

So, there are increasing new demands on our budget for collection and assessment, research and development of new technologies, on the environment, economic competitiveness, new areas and languages, new assessments in an increasingly decentralized world. We need to understand and head off the proliferation of many new types of weapons—chemical, and biological—and the diversion of nuclear materials and systems—this capability does not come cheaply.

We need to understand and control the narcotics trade, and terrorism—these efforts take substantial resources. The current budget and the effort that the committee has made has focused on this transition to a new world, where there are increasing new demands on intelligence to help us weave our way in the confusing new environment. We continue to need a broad intelligence system to protect our basic security and to allow us to seize the initiative to understand the trends in many areas. We need to strengthen resources because our intelligence system must operate in geographical and topical areas where it has been unaccustomed to operating.

Mr. President, with regard to the -tactical intelligence and related activities—otherwise known as TIARA—I believe the key phrase is "related activities." TIARA is a collection of programs within the Department of Defense. Approximately one-third of the TIARA budget relates to intelligence and in the bill recommended by the committee, the intelligence portion of TIARA has been reduced by approximately $400 million.

If the distinguished Senator from Arkansas desires to further reduce TIARA, funding for programs such as the RC-135 re-engining, Guardrail, JSTARS and the all source analysis system must be reduced. I believe these programs are extremely valuable to this Nation. As Senators know, JSTARS was one of the workhorses in Desert Storm. The RC-135 re-engining is vital if we expect to be able to make use of this platform for tactical reconnaissance into the 21st century.

In addition, it should be noted that DOD's involvement in counternarcotics activities has been highly successful. A large portion of the funding for counternarcotics is provided in TIARA. If this amendment were to pass, I would have no other alternative than to recommend reductions in this important program, too.

As can be seen, Mr. President, a further reduction in TIARA could have devastating ramifications to programs of great importance to this Nation.

Mr. President, we have reduced our cold war collection efforts and systems. The over $1 billion in cuts recommended by the committee represents a major effort to do that. We cannot cut more at this time without posing grave risks to the integrity and continuity of our intelligence system. The House has, indeed, doubled the cuts that we have recommended in this appropriations bill, but I would submit that the House cuts have, in some cases, been taken to put pressure on policymakers with the intention of partly restoring some resources in the conference on this bill.

Second, as my colleagues who have attended conferences know, our Senators need at least some room to negotiate with their House counterparts, and the Bumpers amendment would not only be too deep from a programmatic standpoint, but would totally eliminate our leverage in conference with the other body.

I believe that every Member of this body supports enhanced arms control, and new verification systems, as well as new efforts to base our international economic competitive position on sound knowledge. I believe every Member also would support training of larger numbers of Americans in unfamiliar languages, such as Farsi, Arabic, and others, in order to better understand what is happening in those regions, and to better plan our Nation's efforts in those areas of continuing unrest.

Mr. President, one could very well make the opposite argument to that which the Senator from Arkansas propounds. As our military resources, our force structure, and our foreign presence drops, we need intelligence more than ever to be a reliable indicator and warning system, to understand well in advance threats and problems that might be emerging in various regions. While I do not argue that funding for intelligence should go up, certainly the factors underlying the size of the intelligence budget are quite different from those underlying the military budget.

A respected and knowledgeable leader in this field, Mr. James Woolsey, has just authored the final report of a major task force directed by the DCI on the subject of the future of our satellite systems. He makes this point very well:

Although it is unrealistic today to expect anything other than some decline in the re-

sources devoted to intelligence collection, an excellent case can be made for that decline being substantially less than the decline in spending on national defense in general. The leverage that intelligence, properly disseminated and used, gives to the consumers of intelligence—especially as a force multiplier to the military—strongly suggests the increased utility of intelligence in the post-cold-war world. Although substantial reorientation is needed, it by no means suggests that there should be overall, a proportional decline in intelligence resources. Quite the contrary.

Mr. President, I think I have gone as far as I can in explaining why I think we have taken an appropriate cut. I would remind Senators that the reduction proposed by the committee follows a $500 million cut in the fiscal year 1992 intelligence budget that we took in connection with the rescission bill passed by the Senate earlier this summer. I think our intelligence budget is taking a fair share of belt tightening.

Mr. President, America is a world power. If we are to remain a world power, with farflung global interests, we need the capability to understand that world so that we do not always react to events. We must act now to protect and preserve an intelligence system which enables us to anticipate events, to take the element of surprise out of national security policymaking.

Mr. President, I ask my colleagues to leave us with the resources to achieve these ends.

Mr. President, if I may, I ask unanimous consent that a letter dated September 16 from the Director of the Central Intelligence, Mr. Robert Gates, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DIRECTOR OF CENTRAL INTELLIGENCE,
Washington, DC, September 16, 1992.

Hon. DANIEL K. INOUYE,
U.S. Senate, Washington, DC.

DEAR SENATOR INOUYE: As you resume deliberations on the FY 1993 Defense Authorization Bill and begin debate on the FY 1993 Intelligence Authorization and Defense Appropriations Bills, I urge you to exercise caution in considering any proposals for further reductions beyond those recommended by our oversight committees in the Senate. There are those who believe that the demise of the former Soviet Union justifies additional cuts to the intelligence budget. I believe that view reflects a troubling misconception of the role of intelligence over the past 50 years.

Since the end of World War II, U.S. intelligence has been expected to cover military, political, economic, and other threats to national security interests worldwide; the Intelligence Community has never focused solely on the former USSR. In 1980, when we were at the height of our commitment to the Cold War, only 58 percent of intelligence resources were dedicated to the USSR—a far smaller share than many may suppose. Today, the Commonwealth of Independent States accounts for only 34 percent of the President's amended FY 1993 budget. The Intelligence Community has not carried on "business as usual" while the Soviet empire crumbled. Indeed, the Community was among the first to recognize the impact of this upheaval, and has taken major steps to reduce and refocus its efforts in that troubled part of the world.

As you consider your vote on further cuts to intelligence, you should be aware of the realities we face that often run counter to conventional wisdom about the post-Cold War world. Policymaker and Congressional demands on us have in fact grown and become more complex as once secondary regions and topics rise in relative importance; witness the wars in Iraq, the Balkans, the Caucasus and the Central Asia and the humanitarian crisis in East Africa. These examples also illustrate how dramatically our government's need for intelligence in breadth and depth increases when a general understanding of the situation is not enough and when actions must be decided and implemented. Then the demand for detail, timeliness, and usability of intelligence goes up by orders of magnitude.

It is easy to determine that human beings are starving in Somalia; it is hard to determine the condition of airfields, the threat from local war lords, the availability of storage needed when the U.S. decides to do something about it.

It is easy to confirm that atrocities are occurring in Yugoslavia; it is hard to confirm the numbers, locations, sizes, and control of detention when the Administration and Congress are considering what to do about those atrocities.

The Cold War may have gone away, but the President and Congress remain intensely interested in the fate of 30,000 Soviet nuclear warheads and who controls them, the Soviet biological weapons program, continuing—though dramatically reduced—Russian strategic modernization, and implementation of and compliance with arms control agreements.

This demand to provide detailed and timely intelligence for action confronts us on all sides: proliferation, narcotics, terrorism, economic spying by foreign intelligence services in the U.S., support to peacekeeping, and many, many other issues. While downsizing the adapting to new conditions, U.S. intelligence must preserve its global capability and even enhance its flexibility. At stake is nothing less than the ability of the United States to act in world affairs.

I am not proposing that intelligence be immune from reductions. In fact, our oversight committees have proposed a one billion dollar cut to the NFIP—after considerable deliberation and thoughtful debate, and following on substantial reductions in 1992. I believe the committees' recommended level of funding reflects a responsible balance between the need for a strong intelligence capability in an increasingly uncertain world and the fiscal constraints that we will face in the coming years. Further reductions right now would eliminate critical flexibility at the time we need it most. Indeed, the Secretary of Defense has said that additional cuts to intelligence would cause grave danger to our ability to support military operations, an area we all agree must be improved.

I believe it would be irresponsible to put the nation's intelligence capabilities in jeopardy by making a hasty decision on the floor to invoke further reductions. While the danger of a global holocaust has receded dramatically with the demise of the Soviet Union, in its wake we are seeing a dramatic multiplication of civil and regional wars, dozens of countries developing weapons of mass destruction, and other problems of intense interest to you, your colleagues, the Administration and this country. The continuing and new demands placed upon us for detailed information on problems around the globe cannot be satisfied or reconciled with immediate, deeper cuts in our resources. Rather, I believe we must work together to accomplish needed change and reductions with a coherent, evolutionary strategy to ensure that vital national capabilities are preserved and strengthened.

Sincerely,

ROBERT W. GATES.

Mr. INOUYE. Mr. President, this letter clarifies the problems in the Bumpers amendment.

Mr. STEVENS. If the Senator will yield, I make a similar request. I ask unanimous consent that the letter I received from the Assistant Secretary of Defense for Command, Control and Communications and Intelligence be printed in the RECORD at this point.

ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, September 21, 1992.

Hon. TED STEVENS,
Subcommittee on Defense, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR STEVENS: As the members of the Senate and House of Representatives work to complete the FY 1993 intelligence authorization and Defense appropriation bills, I appeal for your support in resisting any attempts to further reduce the Tactical Intelligence and Related Activities (TIARA) accounts of the Department. We are particularly concerned about Senator Bumpers' proposal to impose substantial cuts in our tactical and national intelligence programs.

We have not blindly resisted cuts to our intelligence programs. Our tactical intelligence force structure elements are being reduced by significant amounts. This is to be expected as we are significantly reducing the size of the armed forces. However, even under tremendous budget pressures, we have protected the essential intelligence elements of the force structure. Secretary Cheney has been clear that we must ensure the Nation's armed forces have available the intelligence that is essential to successful military operations.

I know some believe that in the post-Cold War era there is a greatly reduced need for intelligence, including tactical intelligence. However, the intelligence challenge in the post-Cold War era has gotten harder not easier. Our intelligence elements no longer are focused on a well-defined Cold War military problem. Rather, they must provide intelligence on many complex problems in many regions around the globe. Today's intelligence challenges include terrorism, tribal conflict, civil and regional wars, narcotics trafficking, humanitarian and disaster relief, and the proliferation of weapons of mass destruction.

We appreciate your continued support for the intelligence programs that our military forces must depend on in combat.

Sincerely,

DUANE P. ANDREWS.

Mr. STEVENS. Have the yeas and nays been ordered?

The PRESIDING OFFICER. No.

Mr. BUMPERS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I rise in support of the Bumpers amendment. I have served on the Intelligence Committee for almost 8 years, and I have kept close tabs on the work and the budgets of the CIA and the other agencies. These agencies are too big, they are top heavy in their personnel structure, and they are designed for a world that has vanished.

What is more, they were ineffective in telling us about that vanished world. The CIA failed to predict the event that was its very reason for being: the fall of communism. The intelligence community also missed the Iraqi invasion of Kuwait, they provided the Senate with misleading information in the run-up to the gulf war, and they gave General Schwartzkopf what he called "mush" when he needed facts during the gulf war. There are too many other instances which I cannot discuss in open session when the intelligence community's response was either inadequate or flat wrong. As a crisis looms in some new part of the world, I know that the next thing I will hear is "the intelligence community hasn't been covering that target," or "they don't have anyone out there." If it was not for CNN and the newspapers, we would know very little.

Do not get me wrong. This country needs a strong, active, knowledgeable intelligence community. But that community needs to change from its cold war organization, it needs to shift to the threats of today, it needs to take advantage of the huge flood of open source information that can now be obtained without spying, and it needs to become more entrepreneurial and less bureaucratic. In other words, it needs to get smaller. That is why we ought to cut their budget. The only way to restore this dinosaur to health is to put him on a diet. The best time to do it is now, when the world has suddenly and temporarily become much less threatening.

The Intelligence Committee gave the diet a good start, and I give our chairman, Senator BOREN, high marks for the cuts he achieved. But we have the opportunity today to do more.

The deeper cut proposed by Senator BUMPERS would unquestionably cause some layoffs at CIA and other agencies, and I think we should face that issue squarely. If the end of the cold war has put shipyard workers in South Carolina and aerospace employees in California out of work, what is so special about intelligence analysts in McLean, VA? Why do we only protect the jobs inside the Washington beltway? I could add that the shipyard workers and aerospace workers built the best ships and planes in the world. They were better at their jobs than the analysts—who didn't predict the fall of the Wall—have been at theirs. So in justice, as well as in our desire to have a stronger intelligence community, let's face the fact that when we seriously cut this budget, there will be layoffs. But if the Defense Department can face up to a 25 percent cut in its civilian personnel by 1997, the intelligence community can, too.

If we want to break the pattern of mediocrity in U.S. intelligence, we have to shake them up. The only way to do that is by making deeper cuts in their budget.

Mr. GLENN. Mr. President, I rise in strong opposition to the Bumpers amendment which would further reduce the intelligence budget.

With the end of the cold war, some have argued that it is safe to decrease the intelligence budget and significantly reduce our intelligence capabilities. Some in this body have even suggested that the CIA is a cold war relic which has outlived its usefulness, and we should do away with it. I strongly disagree with such views. In this unprecedented time of enormous change and uncertainty in the world, our need for the CIA, the intelligence community, and a robust intelligence budget is greater than ever before.

In addition to being a member of the Senate Armed Services Committee, I am also a member of the Senate Select Committee on Intelligence. The Senate Select Committee on Intelligence completed its markup of the fiscal year 1993 intelligence authorization bill some time ago, and I voted against the committee's mark—I was the only member of the committee to do so—because of the high level of reductions taken from the intelligence budget.

Mr. President, before discussing my concerns with further cutting the intelligence budget, I would like to comment on the unique nature of intelligence oversight.

Intelligence oversight imposes a unique burden on the two congressional intelligence committees which serve as surrogates, not only for the Congress as a whole, but the American people. Because congressional oversight of the CIA and the rest of the intelligence community must necessarily be conducted in the black box of secrecy, the committees must demand accountability and possess the will to conduct thorough oversight.

Mr. President, I believe that the current system of intelligence oversight works well. However, congressional oversight of intelligence was not always as effective as it is today.

Before the two intelligence oversight committees were created in the mid-1970's, Congress conducted what I refer to as "oversight by oversight" of U.S. intelligence—preferring to know little more than it was told by the CIA. Fortunately, this is no longer the case.

While I have always been supportive of the intelligence community, I have also been a strong supporter of efforts to enhance oversight mechanisms and increase accountability of the intelligence community. Along with Senator SPECTER, I took a leading role in the establishment of the office of the independent statutory inspector general at the CIA. I have supported strengthening reporting requirements to Congress regarding covert action. And last year, I led an unsuccessful effort to increase the number of Senate confirmed positions at the CIA to increase the accountability at that agency.

However, I fear that the amendment being considered by the Senate today represents the precise opposite—and equally uninformed and irresponsible—approach to the congressional oversight by oversight of the intelligence community that we used to see in years past. This amendment constitutes the oversight-by-meat-ax approach to the intelligence budget, and I believe that this serves neither the interests of congressional oversight nor our Nation's security.

Mr. President, the dissolution of the Soviet Union and the end of the cold war have resulted in a necessary reappraisal of our national security funding priorities. While I believe that we can and should significantly reduce defense spending over the next few years, I also believe that intelligence comprises a special part of our Nation's national security infrastructure and should be treated accordingly.

I am simply not convinced that there is a compelling rationale for significant reductions in the intelligence budget. To the extent that the Congress has concerns with the intelligence community's focus, these concerns should not be addressed by deep budget cuts, but rather by restructuring existing resources. The United States needs a strong and reliable intelligence capability during the current period of enormous change and uncertainty. Indeed, we rely even more heavily on intelligence to detect and monitor these changes in the international system so we can reallocate increasingly scarce resources in a more efficient manner.

To the extent that we need to de-emphasize resources devoted to the former Soviet target, we must focus more of our intelligence capabilities and resources on other security threats such as the proliferation of weapons of mass destruction, drug smuggling, terrorism, environmental change, low-intensity conflict in the Third World, and the illicit export of high-technology items. These constitute the major challenges for the intelligence community in the years to come.

We also need to continue to support a robust capability to monitor arms control agreements. The changing international environment has heightened expectations for the conclusion of a sweeping array of arms control agreements. Indeed, the Senate will soon be considering the START agreement, and

early next year we will be taking up the START II agreement, Open Skies, and a chemical weapons agreement.

Enormously expensive intelligence systems are necessary to monitor compliance with these complex arms control agreements and constitute the hidden cost of arms control. If these systems are sacrificed to narrow budgetary considerations, our ability to monitor adequately these agreements will be placed at risk—endangering our Nation's security as well as the public's support for both the arms control process and intelligence.

Mr. President, it is also important to remember that accurate and timely intelligence is our greatest force-multiplier—particularly at a time when we are drastically reducing the size of our military forces. In formulating the fiscal year 1993 intelligence authorization bill, Secretary of Defense Cheney acknowledged, and President Bush affirmed, the need to protect the intelligence budget at the level submitted by the administration. Clearly, they believe that intelligence serves as our Nation's early warning system, and it needs to be protected at a time when the U.S. defense establishment is being reduced so significantly.

In addition, with the end of the cold war and the strong likelihood that our defense spending will be declining sharply over the next several years, we must be mindful of the lessons of history. Defense spending has always experienced cycles of expansion and contraction. Periods of lower tension result in reduced defense budgets. Such times invariably give way to periods of greater tension which, in turn, lead toward greater defense spending. When the day comes that the United States must rebuild our national defense to confront a threat that is now difficult to foresee, we must do it from the strongest and most reliable intelligence base possible. Combat service in both World War II and the Korean war have strongly impressed upon me the need for the retention of a robust intelligence capability in peace time.

With the end of the cold war and the dissolution of the Soviet empire, America's national security bureaucracy must be prepared to come to terms with a rapidly changing world. And having a robust and effective intelligence community—including the CIA—is the most important means to attain that end. Indeed, timely and accurate intelligence forms the foundation of our foreign policy and defines the threat to U.S. national security that is the basis of our defense spending.

In the years ahead, America can successfully navigate the turbulent waters of a rapidly changing world only with a strong and reliable intelligence capability. I am convinced that significant reductions in our intelligence capabilities, particularly during this era of enormous change, are unwise and could be damaging to U.S. national security.

Mr. President, I strongly oppose this amendment and urge my colleagues to do the same.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN] and the Senator from Tennessee [Mr. GORE] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. HELMS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Arizona [Mr. MCCAIN], the Senator from California [Mr. SEYMOUR], and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

The PRESIDING OFFICER (Mr. AKAKA). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 57, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—35

Adams	Exon	Pryor
Baucus	Harkin	Reid
Bentsen	Hollings	Riegle
Bingaman	Kennedy	Rockefeller
Bryan	Kohl	Sanford
Bumpers	Lautenberg	Sarbanes
Burdick, Jocelyn	Leahy	Sasser
Conrad	Levin	Simon
Cranston	Metzenbaum	Wellstone
Daschle	Mitchell	Wirth
DeConcini	Moynihan	Wofford
Dodd	Pell	

NAYS—57

Akaka	Fowler	Mack
Bond	Garn	McConnell
Boren	Glenn	Mikulski
Bradley	Gorton	Murkowski
Breaux	Graham	Nickles
Brown	Gramm	Nunn
Burns	Grassley	Packwood
Byrd	Hatch	Pressler
Chafee	Hatfield	Robb
Coats	Heflin	Roth
Cochran	Inouye	Rudman
Cohen	Jeffords	Shelby
Craig	Johnston	Simpson
Danforth	Kassebaum	Smith
Dixon	Kerrey	Stevens
Dole	Kerry	Symms
Domenici	Lieberman	Thurmond
Durenberger	Lott	Wallop
Ford	Lugar	Warner

NOT VOTING—8

Biden	Helms	Seymour
D'Amato	Kasten	Specter
Gore	McCain	

So the amendment (No. 3116) was rejected.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, may we have order?

The PRESIDING OFFICER. The majority leader is recognized.

STATEMENT ON DEFENSE APPROPRIATIONS BILL, SENATE COMMITTEE ON THE BUDGET

Mr. SASSER. Mr. President, the Senate Budget Committee has examined H.R. 5504, the Defense appropriations bill and has found that the bill is under its 602(b) budget authority allocation by $5.3 billion and under its 602(b) outlay allocation by $3.7 billion.

I compliment the distinguished manager of the bill, Senator DANIEL INOUYE and the distinguished ranking member of the Defense Appropriations Subcommittee, Senator TED STEVENS for their accomplishment in bringing to this floor a bill that is significantly under both its 602(b) allocation and last year's levels of defense spending.

The committee has begun to make some fundamental choices as we struggle to redefine U.S. defense priorities in light of the still evolving post-cold-war world. Unfortunately, the terms of the budget agreement will demand still more savings from defense, as well as nondefense. I look forward to working with the committee in the months ahead to make these adjustments in a prudent and sensible manner.

Mr. President, I have tables prepared by the Budget Committee which show the official scoring of the Defense appropriations bill and I ask unanimous consent that they be inserted in the RECORD at the appropriate point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 5504

DEFENSE SUBCOMMITTEE SPENDING TOTALS

[In millions of dollars]

Bill summary	Budget authority	Outlays
Defense [1]	250,136	262,881
Senate 602(b) allocation	255,389	266,613
Difference	−5,253	−3,732
Domestic discretionary	0	13
Senate 602(b) allocation	0	13
Difference	0	0
Mandatory total	169	169
Senate 602(b) allocation	169	169
Difference	0	0
Bill total [1]	250,304	263,063
Senate 602(b) allocation	255,558	266,795
Difference	−5,253	−3,732
Defense above (+) or below (−):		
President's request	−8,908	−6,750
House-passed bill	−1,562	−419
Senate-reported bill		
Domestic discretionary above (+) or below (−):		
President's request	0	0
House-passed bill	0	0
Senate-reported bill		

[1] This total excludes $339,000,000 in outlays associated with the Senate-passed supplemental appropriations, transfers, and rescissions bill (H.R. 5602).

THE 1993 APPROPRIATIONS SUMMARY—DEFENSE

Spending totals	President's request		House passed		Senate reported		Senate passed		Conference	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Discretionary:										
Defense	259,044	269,630	251,698	263,300	250,136	262,881				
Domestic	0	13	0	13	0	13				
Total	259,044	269,643	251,698	263,313	250,136	262,894				
Mandatory	169	169	169	169	169	169				
Bill total	259,213	269,812	251,867	263,482	250,304	263,063				

APPROPRIATION FOR SEMATECH

Mr. BAUCUS. Mr. President, I rise today to express my disappointment with the way in which the appropriation for Sematech has been handled. Despite a request for $80 million from the administration, and despite House appropriation of $100 million, the defense appropriations bill contains no budget authority for Sematech.

This budget slashing might lead an outside observer to conclude that Sematech has been a failure. Nothing could be further from the truth. We created Sematech in 1987 to help America's domestic semiconductor manufacturing equipment industry recover from devastating foreign competition. Today, this crucial industry has just about achieved parity with that competition. Sematech has played a key role in this revival.

Sematech demonstrates how a collaboration between Government and industry can be a success. Private industry matched every Government dollar put into the project, ensuring the interest and commitment of the firms involved. This feature also guarantees that Sematech stays focused on its goal of success in the marketplace—for if it does not, the member firms stand to lose their money.

The companies in the Sematech consortium say that it has been a great success. A recent report by GAO confirms this assessment. GAO notes that Sematech has increased cooperation and standardization within the industry, as it has worked to improve technical performance.

Sematech has achieved many of the goals it set for its first 5 years. The consortium and its member companies feel strongly that Sematech can play an important role in making American semiconductor manufacturing equipment makers world class companies.

To do this, Sematech needs $100 million per year from the Government, and $100 million per year from its member companies. The private sector will be at the table with its money. We must be ready to join it.

Cutting Sematech's funding to $80 million per year, as the administration wishes to do, is bad enough. But killing the program at a single stroke is simply not a realistic option. I do not intend to offer an amendment to the appropriations bill at this time. However, if the matter is not resolved in conference, I may have to vote against this bill.

DEFENSE DOWNSIZING AND THE PROBLEMS CAUSED BY ANTITRUST ENFORCEMENT

Mr. DURENBERGER. Mr. President, I rise to congratulate Senator NUNN, Senator WARNER, and everyone else on the committee and in the Senate whose hard work has made the Defense 1993 authorization bill possible. As everyone knows, the world is in the midst of a dramatic transition caused by the collapse of the Soviet Union and totalitarian regimes elsewhere. This transition is also creating significant changes in our economy and society as we move to a much smaller standing military force and its concomitant industrial base.

This bill contains a number of provisions that facilitate the rational downsizing of the defense industry. Included are a number of provisions designed to aid defense companies to cope with the sharp reduction in spending on defense weapons and equipment. The bill passed by the other body also has a number of provisions addressing this very important issue.

Mr. President, many of these are useful efforts, but we must not overlook what must be another major focus in this process—to downsize the defense industry without destroying or crippling the critical defense industrial capability that our Nation needs to meet our security requirements in the uncertain times ahead.

The Department of Defense has taken the position that it is not Government's role to determine the winners and losers in this downsizing process, and that the free market should dictate the results. While I agree with the first part of this position, it is the second part that causes concern. In reality, the defense industry does not operate in either a free or traditional commercial market. Instead, defense is a single buyer-few supplier market, heavily controlled by the Government buyer and a body of time-tested Federal acquisition regulations. On the other hand, its merger and acquisition activity is being regulated by the FTC and the Justice Department as though it were a commercial market.

A number of groups, both in government and in the academic community have studied the downsizing issue and have come up with numerous recommendations to do this rationally, and in ways which will save money, or preserve capability, or both. One issue with which I am very concerned in this regard is the effect of traditional antitrust enforcement on defense consolidation. We have already seen a number of transactions where divisions or whole companies involved in defense contracting have been sold. These transactions are appropriately undergoing the standard antitrust review. Unfortunately this is where a fundamental contradiction is at work.

While concerns about competition should be addressed, logic would also dictate that all of the other benefits to the public good from the consolidation, such as preserving a viable industrial base, increased efficiencies, and the maximization of defense capability, be taken into account.

Mr. President, I have here a short paper prepared by Mr. James Blackwell, a very distinguished scholar at the Center for Strategic and International Studies, which discusses these very issues.

I will ask unanimous consent that Mr. Blackwell's paper be printed in the RECORD at the conclusion of my remarks.

Mr. President, Mr. Blackwell's paper summarizes this situation quite well. In it he describes how we are not taking national security industrial base concerns into consideration in the antitrust process, and then discusses very eloquently why we should. I recommend that all my colleagues take a good look at this paper and consider expressing your concerns to the appropriate officials in the executive branch.

I would like to conclude by saying that the Department of Defense has spent trillions of dollars, and I mean trillions with a "t," to develop the current industrial capability for defense. Now as the appropriate downsizing is taking place we should take care that the measures by which we judge such activity are both rational and account for all the benefits to the public good.

This is especially appropriate in the many instances where the particular military service will be forced to downselect to a single source because the funding levels will not support more than one vendor.

Mr. DIXON. Mr. President, I would like to thank my good friend, the senior Senator from Minnesota, for bringing up this very important issue. The

CSIS article is very timely and discusses the issue very well.

It seems to me that there are two very strong arguments that bring into question how defense mergers should be judged and whether they should be viewed in the same way as commercial mergers. First, many defense companies produce products that are sold only to the Defense Department. In these cases, DOD has more market power than do the vendors, even when they are sole suppliers of their products. In addition to market power, DOD has ample legal authority to obtain contractor pricing data and to negotiate prices to ensure it is not being overcharged. In short, it is not only equipped but well-experienced in dealing with sole-source suppliers. Where DOD does not buy enough product to support two contractors, there is no need, nor can DOD any longer afford, to support more than one.

Second, there is a clear national interest involved here. A weak contractor in a declining market will quickly decide to sell out. If that alternative is blocked, they will simply leave the business. Loss of these marginal capabilities weakens the remaining industrial base and will eventually cause problems in the event of a national contingency. This is especially tragic when many of these capabilities can be preserved by allowing a stronger company in the same business to absorb them.

Nothing is gained by barring such a sale. The national interest is served by allowing it to proceed, particularly if the merger produces efficiencies which reduce the overall cost to the taxpayer.

Mr. President, we must look at this pressing issue and look at it soon, because defense consolidation has already started and will only accelerate as these budgets go down. We must find a way to make these vital national concerns part of the consideration when the Government acts to approve or disapprove these mergers.

I ask unanimous consent that the document to which I referred be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

PRAISE THE FTC AND PASS THE AMMUNITION

(By James Blackwell, Director of Political Military Studies, Center for Strategic and International Studies)

The defense industrial base is now a campaign issue because of the impact of the defense draw-down on jobs. But there is another effect of the decline in defense spending that is more perverse than the bogus contradictions of the candidates who promise to deliver massive defense cuts in one breath, and in the next promise local voters to keep their defense plant open. America's antiquated antitrust enforcement system may well prevent a national, market-driven transition in the defense industry while sticking the taxpayers with a huge bill for maintaining an inefficient defense industrial base which may not be able to meet the needs of the next war.

In many defense sectors of the economy, from aerospace to ammunition, the most common market response to the now seven-year decline in defense budgets has been for companies to abandon this loss-leading segment of U.S. industry. In our 1989 study of the defense industrial base at CSIS we found that the declining prospects in defense had already led tens of thousands of firms to leave defense for greener pastures.

Now the remaining firms in the defense industrial base are the real champions of industry. Left in the base, for the most part, are the hardy ones who survived the bloody competitions of the late 1980s and whose executives have made the decision to stay in the business for good. One approach some are trying to take for the future is to pursue mergers, acquisitions and divestitures where market structures make it sensible to do so. The results of these consolidations could be tremendous efficiency gains as supply is brought into balance with demand by the experts who have the judgement to determine what capacity needs to be retained and what should be liquidated. The reason such industrial restructuring can happen in America and doesn't happen in the former Soviet Union is precisely because market forces have been at work here for decades.

These consolidations in defense industries will result in immediate savings to the taxpayers because the government pays most of the costs of overhead for defense industries, especially those that are tied closely to defense business with no commercial product counterpart. In a previous CSIS study on the defense acquisition system, we estimated that the government pays a 25% premium for such costs solely because of the inefficient way defense contracts are administered compared to similar commercial production. But the opportunity to achieve such savings is being blocked by our antiquated antitrust enforcement system. That system has become a stumbling bloc to the mergers and acquisitions that are now being considered by industry decision-makers eager to restructure the defense industrial base. If we do not bring that antitrust system into the 21st century we may end up with a military industrial complex as costly and destructive as the one the Russians find themselves stuck with today.

America's legal framework to protect us against the ills of monopoly in the market place was born in the 19th century. Senator John Sherman was the sponsor of the first anti-trust law, passed in 1890 and known as the Sherman Antitrust Act. It bans the restraint of trade and specifically outlaws attempts to gain monopoly power as a method of restricting interstate commerce. Such monopoly power carries with it, in free markets, the power to fix prices above a fair return and is alien to our American sense of fairness and equity. Later, the Clayton Act prohibited specific practices, such as predatory pricing and exclusive sales relationships, that would lead to a monopoly position.

In 1914, the Federal Trade Commission Act vested the enforcement apparatus for antitrust law in an independent federal agency, the Federal Trade Commission. Later practice has evolved a division of effort between the FTC, which conducts economic and market analyses in support of antitrust action, while the Antitrust Division of the Justice Department investigates and enforces specific cases. The system has worked for over a century to prevent the formation of monopolies or to break them up as they occur.

Not all monopolies are inherently evil, and some are inevitable, such as the natural monopoly that forms when a utility company lays a water or gas pipeline to customers and competition just cannot occur. Such situations are recognized by the antitrust system and the danger of monopoly power is offset by a legal structure that imposes a regulatory regime on the firms operating such enterprises. But the defense industry is neither a public utility nor a fully competitive market. The rules must be applied to prevent monopoly power in a way that preserves the public interest, balancing the need for an efficient, flexible and technologically superior defense industry against the protection needed to prevent opportunity for monopolistic mischief.

DEFENSE INDUSTRIES AS MONOPOLISTS

Ironically, it was in part in the defense industry that our antitrust enforcement system was formed. One of the earliest instances of a trust formed to keep prices high in America was in the late 19th century in the explosives industry. By 1872 the largest munitions companies had formed the Gunpowder Trade Association which met regularly and explicitly to set prices. It grew to dominate the entire country's powder and explosives manufacturing which at the time was in great demand for mining, excavation and military purposes.

Then in 1902, the Dupont family, already the largest of the explosives manufacturers, formed a new company which quickly bought out or competed away all the other companies in the association. By 1907 the Dupont Company controlled between 64 and 73 percent of all forms of explosive powder and dynamite in the U.S. and 100% of commercially available smokeless powder for military purposes. In a landmark case, U.S. v. E.I. Dupont de Nemours & Co., a U.S. District Court ruled that not only was the monopoly illegal, but also that the court had the authority to break it up and make the industry competitive once again. This case and related others established the framework for antitrust enforcement across the U.S. economy.

Today, the antitrust enforcement system is built around a set of policies and guidelines maintained by the Federal Trade Commission. In governing mergers, the regulation uses a mathematical formula called the Herfindahl-Hirschman Index to judge the potential monopoly power of a proposed merger. If the result of the merger is that the top firms would have a theoretical capability to fix prices, the merger is presumptively disallowed. It then becomes the burden of proof of those proposing the merger to demonstrate that it would not produce such monopoly power before they are permitted to consummate the deal. Usually these propositions end up in court.

The problem with the defense industry is that, just as the rules cannot apply to a public utility, that is, the provision of a public good which a market would not deliver, they cannot apply across-the-board to the defense industrial base. Most industries out of which the Defense Department buys its manufactured goods are already quite competitive and not dominated by a few large firms. This is why it is terribly costly to the tax-payer for the DoD to specify its own standards when commercial standards will do.

In our 1989 study, CSIS found that of the 215 manufacturing industries in which DoD was a customer, in 88 of them the top four firms captured 35 percent or less of such markets as paper mills, adhesives, nuts and bolts. Though this is a significant part of the defense industrial base, it is not the portion which poses the challenges for restructuring.

The real challenge lies in the 55 of the relevant defense sectors shown in our study already to be highly concentrated, with the top four firms capturing 50 percent or more of their market shares. In these sectors, mergers among defense firms will inevitably fail the FTC's monopoly tests because they already are close to being monopolies, at least statistically defined. It just does not make sense to block them automatically without consideration of the beneficial effects of mergers and the unique aspects of the defense industrial base.

Earlier this year the Department of Justice and the FTC nearly blocked the sale of General Dynamics' missile business to the Hughes Corporation. General Dynamics had decided to get out of this military business entirely and concentrate on its core businesses of military aircraft, tanks, submarines and space launch vehicles. Hughes, on the other hand, owned by General Motors, has been embarked on a corporate strategy of diversifying its operations in order to bring advanced technologies into the automobile industry. The plan was for General Dynamics to shed a non-core operation and for Hughes to integrate some of GD's missile capabilities into its own missiles operation, absorb some of the technology development overhead into General Motors (where overhead would be spread and disciplined in the consumer products markets) and to liquidate the rest. Although the proposed transaction made obvious business sense for GD and Hughes, and was acceptable to DoD it also would have created a new concentration of market power in the missiles business, already highly concentrated at about 70 percent in the top four firms. The two firms had to spend millions on lawyers to prove that the sale would not create a market structure likely to allow monopolists to fix prices charged to the government.

A more current case is now pending before the Federal Trade Commission in the ammunition sector. This part of the defense industrial base is one of the most highly concentrated of all, with the top four firms capturing over 85 percent of the business. At that level it is more concentrated now than it was in 1911 when the Gunpowder Trade Association was broken up by the federal courts. In this case, Alliant Techsystems, the nation's largest ammunition manufacturer, and a portion of the Olin Corporation, the Olin Ordnance Division, the second largest producer, propose to merge, forming a company that would have about 60 percent of all the military ammunition business in the U.S. (Olin's commercial munitions business is not involved in the transaction.) The top four firms' share would of course not change, but the change in market shares within the top firms is large enough that it is possible the FTC will block the merger on the basis of the regulatory guidelines.

These two cases illustrate the perversity of applying the antitrust regulations blindly to the defense industrial base. If the market were simply allowed to function naturally during the build-down and resulting consolidations, the taxpayers would save a lot of money and only lawyers would lose work. As plant capacity, engineering talent, capital investment funds and line workers are freed from unneeded defense facilities, the market is ready to shift them into other industries ready to expand (telecommunications, transportation, etc.) into new technologies and modernization efforts. And in those industries where some defense capacity will continue to be needed the remaining facilities can be down-sized rationally to produce more efficient economies of scale. What's needed is not more regulation of defense industry, but de-regulation.

Any danger that the remaining defense firms might be able to take advantage of their new positions somewhat close (but not much closer than at present) to monopoly, can in fact adequately be dealt with under a separate but little-used provision of the antitrust system. The guidelines also govern monopoly power gained from the buyers' position, a condition known as "monopsony."

A monopsony is a market controlled by a single buyer. In theory, sellers of a product purchased by only one buyer, could be forced to accept whatever price that buyer is willing to pay even if it is below the cost of producing the product in the first place. The antitrust regulations cover the monopsonist as follows: "Market power also encompasses the ability of a single buyer (a "monopsonist"), a coordinating group of buyers, or a single buyer, not a monopsonist, to depress the price paid for a product to a level that is below the competitive price and thereby depress output. The exercise of market power by buyers ("monopsony power") has adverse effects comparable to those associated with the exercise of monopoly power by sellers."[1]

In practice, monopsonies are rare, so the regulatory framework and the data collection are not as robust for them as it is for monopolies. But in the defense industrial base monopsony power is in fact quite common.

In the 1989 CSIS study we examined the buyer side of the market power equation in defense by analyzing the share of industrial sector output purchased by the defense department. As with seller market power we found a wide range of market structures on the buyer side. In the same 215 industrial sectors that the DoD purchases from, in most cases, the defense department is a very small customer proportionately. In many cases the DoD is a relatively large single customer, for example in electronics, but the other customers are so numerous and their total volume is so much larger than defense, that the DoD buyer cannot exert much control to force prices downward.

However, where DoD is a sole buyer, its leverage can be tremendous, and can carry devastating consequences for free market principles. For example, attempts to force greater competition in the 1980s through defense contracting practices yielded apparent savings which now seem to have been illusory. One audit by the department's own inspector general audited seven cases in which the Pentagon had required so-called second-source competitions (ironically including two cases involving Hughes and Alliant), where a sole source provider was forced by the government to provide another firm with technical information required to allow the competitor to submit a comparable bid. The intent was to create competition where there had been none on the presumption that the competition would generate lower prices to the government. Indeed, second sources tended to charge lower prices and win many of the competitions or force the former sole-source to lower its prices. If the nation's big three auto makers had similarly colluded to force their suppliers to charge lower than competitive prices they would have been exerting anti-competitive buyer power, but the government as a buyer was allowed to do it.

Surprisingly the inspector general audit found that the net savings to the taxpayer was negligible even when the winner sold the same product at a lower price. This was because the government had to pay the costs associated with making the second source capable. In many cases, the second source was able to offer a lower price, by reducing its profit margin just a little bit below that of the original sole source provider. When the inspector general added up the total costs to the taxpayer, including the costs of qualifying the second producer and building up its production capacity, savings generated from the lower prices were in all cases at best consumed by the costs of generating them. In some cases it actually cost more to generate the lower prices than if the government had continued to buy from the sole source producer. In the meantime, this practice weakened the original supplier, who had to continue to bear the expense of maintaining a research and development overhead capable of creating new designs.

The structural fact of life is that in the defense industrial base there is the unique structural phenomenon wherein the potential to fix prices higher than competitive levels from monopoly power among a few sellers is offset by the potential to depress prices at lower than competitive levels by the buyer's—the government's—monopsony power. The defense department can exert its monopsony power with a vengeance when it wants to through its total control over the acquisition system through the Federal Acquisition Regulations (FAR) and the Defense Supplement in the FAR (DFAR).

DOD AS A MONOPSONIST

All single source procurements require full disclosure of past and projected costs, which must be negotiated with DoD to establish a cost baseline for the procurement involved. Once the firms' cost baseline is established, the FAR imposes guidelines for profits which are then negotiated for the specific contract award, usually in the range of 6% to 9%. That is not an especially attractive rate of return in the manufacturing sector. If an agreeable price cannot be negotiated the FAR provides for a non-negotiated unilateral award—in effect to take it or leave it proposition. In those sectors where DoD is close to being the sole buyer and where there are few commercial alternatives the firm which refuses the offer commits suicide.

In many of these sectors the government is not only the buyer, it also serves as a major stake-holder in the selling firm through its ownership of production capacity. Many military systems are built in plants owned by the government and leased back to the contractor. In some cases the contractor has no stake in the facility and has only an operating contract. In a few sectors—and again aerospace and ammunition are the major cases in point—the government owns and operates its own facilities capable of producing the same product. In aerospace, many government depots are now beginning to bid on work that had formerly been the exclusive domain of commercial contractors. And in those cases, the government cost accounting rules are modified so that the government's much higher overhead costs are not counted as a cost disadvantage to their bid. In the ammunition industry the government outright owns and operates several arsenals which could replace the private enterprise ammunition industry if the government chose to do so. Without a profit incentive to discipline costs, one can only imagine how high the costs to the taxpayer could go if that were to happen, but in fact many terribly inefficient defense plants are being kept open long past their usefulness for rea-

[1] Commerce Clearing House, Inc., Trade Regulations Reports, "Mergers," section 0.1.

sons that can be appropriately termed as classical political "pork barrel."

BLACKWELL'S MONOPSONY RULE FOR DEFENSE INDUSTRY MERGERS

The present application of the FTC's merger guidelines provides for no routine recognition of the government's monopsony power in regulating the consolidation of defense firms. This needs to be changed now, before the coming flurry of defense industry mergers and acquisitions ties up the antitrust system with endless bureaucratic red-tape and years of expensive litigation, all at taxpayer expense. There is a simple modification to the guidelines that can resolve this problem:

In those markets, properly defined and measured, where the Department of Defense purchases fifty percent or more of the product, mergers are unlikely to have adverse competitive effects and ordinarily require no further analysis.

This rule could be inserted as paragraph 0.11 of the current regulation. It is similar in wording to the rule applying to mergers which do not result in market concentration on the seller side to justify further analysis of monopoly power (1.51.a.). Of course, if there is other evidence of intent to fix prices above competitive levels, all of the other provisions of antitrust regulation, legislation, and legal precedent would still apply. If America's three remaining ammunition manufacturers were to meet together to fix prices they would still be committing an act as illegal today as it was for the Gunpowder Trade Association in 1911.

But the fact is that such monopoly power is virtually impossible to exert in the defense industry today. It is time to deregulate the defense industry modestly by bringing the antitrust system out of the 19th century. Let the market proceed to restructure the defense industrial base. The result will be greater efficiency in the base as we achieve new economies of scale and better export performance for U.S. defense firms competing with government-supported and subsidized weapons contractors overseas.

COMPUTER-ASSISTED EDUCATION AND TRAINING

Mr. COCHRAN. Mr. President, the Department of Defense authorization bill (S. 3114), passed by this body last Friday, establishes a computer-assisted education and training pilot project to demonstrate the educational and cost-saving benefits of a national education and training interactive technology network. This network would allow reserve forces to be trained in the latest technology without the additional cost and inconvenience of leaving the communities where they live. Billions of dollars are spent annually moving people for training that could be conducted in local facilities if the appropriate equipment and programs existed to take advantage of modern computer-assisted interactive instruction. During school hours the equipment and educational training programs, where appropriate, would be available to schools for use by elementary and secondary students and other community training needs. The $15 million has been authorized to establish this pilot demonstration training program and to develop software programs to utilize the community-based training concept, with emphasis on access, quality, and affordability. Would the distinguished Senator from Alaska consider language in the statement of managers to permit the authorized $15 million to be utilized for this purpose?

Mr. STEVENS. I appreciate the distinguished Senator from Mississippi bringing this to the Senate's attention. I am aware of the language in the authorization bill, and recognize the benefits which could flow from this project if it is carried out. We will take a good look at it in conference, and I am hopeful that we can be helpful in this matter.

Mr. COCHRAN. Thank you for your consideration of this request, and I will look forward to working with you in conference.

IMPROVED PROCESSOR AND DISPLAY SYSTEM

Mr. D'AMATO. Mr. Chairman, Senator STEVENS, our colleagues in the House appear to be making a run on funds previously appropriated for the AN/AQA-7(V) 18/19 improved processor and display system [IPADS]. Unwilling to wait for completion of system testing that we required, our House colleagues are attempting to loot the IPADS account to purchase a number of components that read like someone's wish list. Am I correct that it will be the position of the Senate in conference that funds appropriated in fiscal year 1991 for IPADS may only be used to buy components associated with that system?

Mr. STEVENS. Yes; that would be my position.

Mr. INOUYE. Let me say to the Senator, that the Senate has taken the position in the past that the best solution would be to let the Navy Reserve decide the best allocation of these funds. However, in previous conferences with the House, these funds were earmarked specifically for IPADS. I agree with the Senator from New York that, if the funds are to be earmarked and if the obligation of funds is in accordance with existing law, then the funds should be used for IPADS.

F/A-18C/D

Mr. BOND. Mr. President, one issue of great concern to me in this bill is funding for F/A-18C/D Hornet aircraft for the Navy and Marine Corps. The President requested funding for 48 aircraft for fiscal year 1993. The committee, however, provided funding for only 24 aircraft. This has severe negative implications both for naval aviation and the U.S. economy.

The 48 F/A-18's requested for fiscal year 1993 serve as a basis not only for ensuring a reasonable price for C/D purchases, but also for modernizing Navy and Marine squadrons with the advanced features of the night attack F/A-18C and D. In addition, pricing for foreign sales of F/A-18's is based on the Navy's plan to procure 48 aircraft per year, with assurances from the Department of Defense to support fully this procurement plan. Although I am well aware that we don't buy planes in order to allow foreign sales to go forward, we do have to recognize that those sales to our allies help to keep costs down for the U.S. Government. In addition, a cut to 24 aircraft would jeopardize some 5,000 jobs nationwide.

Mr. STEVENS. I am sensitive to the Senator's concerns on this issue. The members of the subcommittee are well aware of the problems raised by lowering the buy of F/A-18C/D's from 48 to 24. We are, however, constrained by the fact that the Armed Services Committee funded only 24 aircraft in the authorization bill. I assure my colleague from Missouri that we share his concerns and will factor them in as we consider this issue in conference with the House. We must ensure that we do not take actions this year that will end up costing us more money down the road.

Mr. INOUYE. I would agree with the comments of the distinguished ranking member, and assure my friend from Missouri that we will factor his concerns into our discussion of this issue in conference.

Mr. BOND. I thank both Senators for their assurance on this issue and I look forward to working with them as the conference goes forward.

Mr. MITCHELL. Mr. President, I was about to make an announcement with respect to the schedule for the remainder of the evening and tomorrow morning. But I am awaiting just a brief consultation with the Republican manager of the bill who asked me to withhold momentarily, which I will do. As soon as I hear from him, which I expect to be in just a minute or two, I will be prepared to make an announcement. So for now I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, the Senate finds itself in a familiar situation. An important bill is pending. Several Senators have indicated an intention to offer amendments, but the managers are unable to get Senators to come and offer their amendments until the time that it happens to be particularly suitable to the individual Senator's schedule. As a consequence, despite the diligent efforts of the managers, for which I commend them, there will be no further votes this evening because we are unable to get anybody to offer an amendment that will require a vote, and we are having difficulty doing that tomorrow.

So before Senators leave, they should understand that there will be a vote at

9:30 a.m. tomorrow on a motion to instruct the Sergeant at Arms to request the presence of Senators. Those Senators who have amendments, I hope, will come at that time and be prepared to offer them so that we can proceed to complete action on this bill.

I repeat, for the information of all Senators, there will be a vote, a recorded rollcall vote at 9:30 a.m., tomorrow. I thank my colleagues, and I yield the floor.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii [Mr. INOUYE].

UNANIMOUS-CONSENT AGREEMENT

Mr. INOUYE. Mr. President, I ask unanimous consent that the following amendments be added to the list of excepted committee amendments: Page 38, line 18, and ending page 39, line 3; page 49, line 11, and ending line 19, and page 142, line 1, and ending on line 6.

Mr. STEVENS. There is no objection. I thank the Senator for his courtesy.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

PRESIDENT BUSH'S ADDRESS TO THE UNITED NATIONS

Mr. MOYNIHAN. Mr. President, this morning President Bush addressed the U.N. General Assembly and spoke of building a lasting peace in the aftermath of the cold war through peacekeeping, limiting proliferation of weapons of mass destruction, and promoting economic prosperity. Important thoughts on an important occasion.

What he did not discuss is rectifying a great crime: the bombing of Pan Am flight 103. If we are to build the lasting peace the President wants, it must be founded on respect for the rule of law. And that means bringing an end to state-sponsored terrorism. It also means that we must insist that the terms of the Security Council's orders to Libya be completely fulfilled.

On September 15, I joined several colleagues in urging the President to use this opportunity to call for Libya to compensate the victims of the Pan Am flight and of UTA flight 177. On Friday, I came to the floor to make a single important point. That we must not relax our pressure on Libya until the criminals who killed the passengers of Pan Am flight 103 are brought to justice. Again, I urged the President to speak to the General Assembly. To press Libya to surrender these criminals. He did not.

Mr. President, I am deeply disappointed that President Bush failed to take advantage of this opportunity, and I urge my colleagues to join me in demanding that the United States continue to pursue every legal avenue to bring the murderers of the Pan Am flight 103 passengers to justice.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $4,035,824,364,116.45, as of the close of business on Thursday, September 17, 1992.

Anybody familiar with the U.S. Constitution knows that no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on Federal spending approved by Congress—spending over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day, just to pay the interest of the existing Federal debt.

On a per capita basis, every man, woman, and child owes $15,712.22—thanks to the big spenders in Congress for the past half century. Paying the interest on this massive debt, averaged out, amounts to $1,127.85 per year for each man, woman, and child in America—or, to look at it another way, for each family of four, the tab—to pay the interest alone—comes to $4,511.40 per year.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

Mr. KOHL. Mr. President, I am pleased that the Senate has expeditiously approved S. 1002. This bill, introduced by Senator SHELBY, makes it a Federal offense for noncustodial parents who live in another State to evade their child support obligations.

I chaired a Juvenile Justice Subcommittee hearing on S. 1002 back in July. The subcommittee, which included Senator SHELBY as a guest member, heard from custodial and noncustodial parents' groups, the legal community, and the recently concluded U.S. Commission on Interstate Child Support.

The horror stories and the facts convinced us that something needed to be done. Senator SHELBY's bill is a step in the right direction, and he is to be commended for his efforts.

Two basic changes have been made in S. 1002 since that hearing. First, as originally drafted, the bill assumed that any nonpayment was intentional. The committee substitute—which, by the way, mirrors the language in the companion legislation already passed by the House—requires Federal authorities to prove that a parent willfully refused to pay his or her child support arrearages. This change will help protect noncustodial parents who cannot pay child support because they are unemployed or underemployed. And the willful nonpayers would still be penalized.

The second change calls for the creation of a Commission on Child and Family Welfare. The Commission is not an attempt to link child support and child access. I do not believe that linkage is legitimate. But I do believe that some non-custodial parents, most of whom faithfully pay their child support, have legitimate concerns. They want to contribute to the emotional, as well as the financial, well-being of their children. We ought to look at this issue just as we looked at interstate nonpayment. That is what the legislation charges the Commission to do.

The Judiciary Committee unanimously approved this measure last week. With the full Senate's quick action last week, it appears that we can get the bill conferenced and to the President before we adjourn. And that, I am convinced, would help a lot of kids.

Many other people also are convinced of the good of this measure, particularly concerning the Commission. Mr. President, I ask unanimous consent that letters of support for this approach be entered into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NON-CUSTODIAL PARENTS OF NEBRASKA,
Omaha, NE, September 15, 1992.

U.S. Senator HERB KOHL,
Hart Building, Washington, DC.

DEAR SENATOR KOHL: We support and welcome the formation of a "Commission on Child and Family Welfare" to study visitation enforcement as an amendment to the Shelby-Hyde bill.

Research consistently reiterates the importance of lessening the harmful effects children suffer after divorce or separation. The greatest harm to these children is the loss of one parent, generally the non-custodial. In Nebraska, courts do not enforce their own visitation orders unless the non-custodial parent goes back time and time again. This is financially impossible for many fathers. Therefore, the child loses a parent.

We hand deliver or mail a copy of "Children Need Both Parents," to all inquiries and we have enclosed a copy for your office. Therein you will find excerpts of research on "fatherlessness" including that of Secretary of Health and Human Services, Louis Sullivan.

We are grateful to Senator Kohl. We do not know how such a social calamity as access to one's child has been so overlooked by Congress and state legislators. Senator Kohl is to be commended for this positive development.

Should you wish for a list of non-custodial parents from Nebraska who are denied ac-

cess, expecially those whose children live in other states, we would be interested in providing information for you. We can also send survey results of a) numbers of times back to court, and 2) court costs and attorney fees.

We thank you and want to help wherever we can.

Sincerely,

WILLIAM C. HUERTER,
Education Chairperson.

ROCHESTER, MN,
September 16, 1992.

Senator HERB KOHL,
Hart Building, Washington, DC.

SENATOR KOHL: I am writing to you in support of your amendment to the Shelby-Hyde Bill (S1002/HF1241) "Commission on Child and Family Welfare to Study Visitation Enforcement". As a non-custodial parent of two children I've lived far too many times the disappointment of visitation denied. Currently I enjoy (court ordered) every other weekend and every other Tuesday and Thursday visitation. I am also allowed only six (6) telephone calls a month.

Though I (try to) understand why the courts need to put into place a visitation guideline, I don't understand why the courts aren't allowed to offer assistance when that visitation is denied. I believe that if the court order stipulated some penalty for visitation denied similar for non-payment of child support there perhaps would be a lot less non-payment, not to mention other associated problems. Further I believe that the custodial parent has an obligation to encourage a relationship with the non-custodial parent and this should be done without condition as long as there exists no abuse. Far too often this is not the case.

Recently a friend of mine told me about a segment on the talk show "Oprah" where there were a number of custodial parents (mostly women) who blatantly told stories of wanting to "get back at" or "get even with" their former spouse. This was best accomplished by denial of visitation or lack of encouragement for the other parent. Not only is this a shame but it borders on the criminal. It is apparent to me that our government is only willing to "gloss" over the real problems of divorce. All we hear or read about is the "deadbeat dad" who doesn't pay. What about the children who suffer emotionally when their father is "thrown out" of their lives. What about the parent who fails to encourage a relationship with the other parent. These too are real problems. Where is the person or committee willing to ask "what's really wrong with the system"? Simply I believe it's time to bring both sides together; hammer out the issues and initiate change! A change is needed and your amendment is a start. Thank you.

Sincerely,

RANDY MALLEY.

OMAHA, NE,
September 15, 1992.

U.S. Senator HERB KOHL,
Hart Building, Washington, DC.

SENATOR KOHL: This is just a short note to tell you how glad I was to learn that you are interested in creating a federal commission on child and family welfare to study visitation enforcement. While it is important that non-custodial parents support their children economically, it is even more important that non-custodial parents be allowed to exercise their rights to nurture their children * * * and absent federal guidelines, half the children of our land will continue to live in homes without a significant father figure. Current laws/courts are gender biased against males in divorce cases in which custody is in dispute, and when you combine the gender biased courts with vindictive ex-spouses, you find an entire generation of children being denied quality time with their fathers * * * and the social implications have proven horrendous—as noted by Dr. Sullivan earlier this year when he declared "fatherlessness to be the greatest family issue of our era."

Unfortunately, however, the Bush administration's response to the fatherlessness issue has offered little other than vague discussions of "family values" and the robust bashing of a fictitious sit-com character * * * your initiative may well be the first to actually do something constructive to resolve the dilemma of children who must grow up without fathers who want desperately to play a meaningful role in the nurturing of their children. * * * Please press on * * * if I may offer testimony or further commentary, please contact me at your earliest convenience.

Sincerely,

CHARLES F. ZULFER,
Lieutenant Colonel, USAF (ret.).

VOICES FOR CHILDREN,
Omaha, NE, September 16, 1992.

U.S. Senator HERB KOHL,
Hart Building, Washington, DC.

DEAR SENATOR KOHL: I understand you are interested in creating a "Commission on Child and Family Welfare" to study visitation enforcement. I am very supportive of such a committee and hope an amendment of this kind will, indeed, be attached to the Shelby-Hyde Bill as intended.

Voices for Children is a statewide child advocacy organization in Nebraska and we receive many requests for assistance with divorce and custody cases. As you are no doubt aware, these are extremely difficult cases to assist with and often are very one sided. As a nation we have begun to appropriately assist with child support enforcement but have sadly neglected the visitation issue. The complexity of this problem warrants a special committee and I hope you are able to accomplish its creation.

Please let me know if I can be of any assistance to you.

Sincerely,

KATHY BIGSBY MOORE,
Executive Director.

LESS SUMMIT, MO.

U.S. Senator HERB KOHL,
Hart Building, Washington, DC.

DEAR SENATOR KOHL: I am a divorced father of two daughters, ages now 16 and 15.

When my wife filed for divorce, I had no knowledge of her whereabouts, and she would not allow visitation of any kind until the divorce was final.

The entire matter was over the simple fact that her mother and I didn't get along, and for 6 years, her mother did everything possible to separate us.

Following the divorce, my ex moved away to another town about 60 miles north of my home. She began to make visitation difficult, and after a year, refused to cooperate at all.

This was in 1979, and I was attempting to salvage the business that I had started during our marriage.

Once I met another woman, visitation became even more difficult.

At the time, I was deeply in debt, the economy was sinking constantly, so I moved from my home town 160 miles to Tulsa, OK, for work.

After a few months went by, I contacted my mother, and let her know that I would be home the following weekend, and requested that she go get the girls, so I could see them while I was there.

When I got there, I was informed that my ex had moved to Omaha, Neb. and was getting the child support checks forwarded through the circuit clerks office. This made visitation virtually impossible.

Finally, the ex agreed to let me have the kids for the summer of the following year.

At the time I picked them up, I asked their mother if I could have them for Christmas or Thanksgiving. Her response was "I already have plans".

So I asked about the following year, and she agreed. Then the next summer, while the girls were in my custody for the season, they were elated to learn that we would be going to see my parents on a plane during the Christmas holidays.

As soon as they wrote their mother, they mentioned the plans, but after talking to her on the phone, they mysteriously changed their minds, but didn't want to talk about it.

They have not spent a summer with me since then.

Something must be done to enforce visitation rights.

My suggestion is to order all child support paid to the circuit clerk, and anytime a custodial parent changes their address to out of state, without a court order, all child support should be held in escrow until a letter from the non-custodial parent has been received, or a court order has been issued allowing the move.

My father, who is a retired physician was treated this way by his first wife.

I recall as a youth when he went to see his daughter, his ex would always start a quarrel, and dad would come home with tears in his eyes.

In 1970, he had a tumor on his spine, and his chances of pulling through the surgery were less than 50/50.

At this time, he had not seen or heard from his daughter since she was 16, and by 1970, she was about 26.

About a week before he was to go to Mayo clinic, she called to see how everyone was. Mom informed her of dads illness, and she had a long talk with dad at the time.

She informed him of how sorry she was for all the lies that her mother had told, and that when he flew out of the Springfield, Mo. airport to go to Mayo, she would be there to see him off. For once they would have a solid relationship.

She met him at the airport as promised, and was very apologetic for her behavior in the past. But the surprise came when dad pulled through.

When he returned to the airport on the way home, mother took a phone number that dads daughter had given them, and proceeded to call her. The party who answered the phone told him that he had a "wrong number".

That was in 1978, and he has not seen her since.

Twice since then, he has received calls from her in which she promises to come down the "following weekend", but these promises are never kept.

This is a result of no inforcement of visitation. There are laws on the books to enforce child support, lets get some on there to do something about the "vengeance factor" that so often is displayed by custodial spouses.

Twice after my divorce, my ex told me "You have started a new life for yourself, so

just go on and leave us (meaning the children) alone, they don't need you".

Please senator I beg you, if ever you have been needed, it is now.

It is too late for you to salvage the relationship between my children and myself, but it is not to late for you to help save countless others.

Sincerely,

G. A. PURVES.

ROCHESTER, MN,
September 14, 1992.

Senator HERB KOHL,
Hart Building, Washington, DC.

DEAR SENATOR KOHL: I support your amendment to the Shelby-Hyde bill (S1002/HF1241) forming a commission on child and family welfare to study visitation enforcement. What's "best for the chid" needs better understanding as the statistics on children raised with absence of one parent point out. What we don't need are adults with problems because of low self esteem—a direct result of abandonment by one parent, that parent often a father forced out of the childs life by our cruel divorce laws on custody, and "liberal visitation" unenforced.

I help run a support group for divorced people in MN called We Care. Several of my friends from the organization have driven hours to see their children only to find them not home at the court scheduled time or there but not permitted out of the house. Police departments don't help. There are no visitation police. This is terrible treatment of the children, denied the right they were born with to two loving parents. A love not changed by a divorce, only denied the child by our current laws!

Sincerely yours,

DOUGLAS H. PITTINGSREED.

OMAHA, NE,
September 15, 1992.

Hon. HERB KOHL,
Hart Building, Washington, DC.

DEAR SENATOR KOHL: I appreciate your amendment which creates a "Commission on Child and Family Welfare". It is good to see our government taking an interest in the children of divorce on issues rather than the money. It is important that these children continue a relationship with both parents and all the money in the world can not replace the loss of a parent.

My divorce was finalized in 1987 and our sons mother thought that because she divorced me that the children also divorced me. She also learned that because she became the custodial parent the children became her property to control. The following stories about my situation will explain how I reached these conclusions about her.

I attempted to coach my oldest son in soccer but their mother signed up her new husband as the father. The soccer association abided by her wishes because she is the custodial parent. One of the reasons their mother gave me for not allowing me to coach was because the games and practices would not fall during my visitation.

I have attempted to be listed as the father in the student directory but the school will not allow this without the custodial parents approval, which has not been granted.

I am unable to get emergency medical treatment for my sons without the permission of the custodial parent. One occasion her mother was able to give permission over the phone for treatment and another time her new husband gave permission. This happens at a hospital which bills my insurance without my permission.

My youngest son was in tumbling in 1991 and when I asked where he was taking it she refused to inform me.

Thank you again for recognizing the importance of divorced children needing both parents.

Sincerely,

LON MULLER.

GRANDPARENTS UNITED FOR
CHILDREN'S RIGHTS
Madison, WI, August 28, 1992.

Senator HERB KOHL,
Chairman, Juvenile Justice Subcommittee, Hart Senate Office Building, Washington, DC.

DEAR SENATOR KOHL: It is with great pleasure that Grandparents United For Children's Rights, Inc. endorses the establishment of a Commission On Child And Family Welfare. It is a well known fact that the family, and particularly children, are falling deeper and deeper into the abyss of severe hardship in today's uncertain economic structure.

As an organization that works for the advocacy of children, their rights and welfare, we wholeheartedly sanction a sincere effort to compile information that will affect the best interests of children. Our organization and others like it would welcome studies such as (h) Duties recommends. The four items are thoughtfully conceived and could have resounding long term benefits in terms of services to the family.

Of course, we offer our help to the Commission in whatever way would be considered most beneficial to the achievement of its aims.

Very truly yours,

ETHEL DUNN,
Executive Director.

Madison, WI, September 1, 1992.

Hon. HERB KOHL,
Chairman, Juvenile Justice Subcommittee, Hart Senate Office Building, Washington, DC.

DEAR SENATOR KOHL: This is to offer my personal support for the establishment of a Commission on Child and Family Welfare, which is contained within a Substitute Amendment to S. 1002. I would also support such a Commission if it were introduced independently of S. 1002.

You will recall that when I testified on S. 1002 before the Juvenile Justice Subcommittee on July 29, 1992, I encouraged consideration of a balancing amendment that would respond to noncustodial parents' concerns about being denied access to their children. This Commission does provide a meaningful response to those concerns without interfering in any way with the other purposes of the bill.

It would investigate the access problems noncustodial parents are experiencing and determine how such problems might relate to child support noncompliance. In addition, it would take a broad look at child welfare, including the important subject of mediation. All in all, this Commission is a farsighted approach to problems raised before the Subcommittee during the S. 1002 proceedings and promises real benefit for the children.

If there is any way I can be of further service with regard to S. 1002 on this matter or in the event that the Commission on Child and Family Welfare is established, please don't hesitate to let me know.

Sincerely,

WILLIAM N. FETZNER.

FATHERS FOR
EQUAL RIGHTS, INC.,
Des Moines, IA, September 2, 1992.

Hon. HERB KOHL,
U.S. Senator, Hart Building, Washington, DC.

DEAR SENATOR KOHL: I am extremely pleased to learn of your interest is creating a Commission on Child and Family Welfare. As Director of the Iowa Child Access Enforcement Project, one of the seven demonstration grants awarded under Section 504 of the Family Support Act of 1988, my clinical experience in counseling 2,835 non-custodial parents demonstrates the pressing need for such a Commission.

Please find enclosed a copy of my presentation on enforcement of visitation rights, delivered at the conference of the National Child Support Enforcement Association last week in Orlando, Florida. The same basic material was used in my keynote address to the National Congress for Men and Children in Detroit, Michigan this past Friday. This presentation shows what we have learned about non-litigation and low adversarial litigation remedies to help non-custodial parents enforce their visitation rights.

Also, please find enclosed a copy of the first Quarterly Report of the Iowa Child Access Enforcement Project. Although the project has only been in operation for several months, I believe that we have already demonstrated that projects such as ours work, reach large numbers of non-custodial parents, and provide cost-efficient counseling, supportive services, and referrals.

I would hope that, specifically, the Commission on Child and Family Welfare would be charged with reviewing the progress of the Section 504 demonstration projects and recommending policies to Congress which would draw the best information from the seven demonstration projects.

I have also enclosed a copy of the Census Bureau report on compliance with financial child support orders. It shows that 79.1% of non-custodial parents with visitation rights are current on financial child support. The presentation from the Orlando N.C.S.E.A. conference cites several other studies, all of which show a high correlation between visitation and financial child support compliance. A Commission on Child and Family Welfare could study the causal relationship between visitation and financial child support compliance and develop public policies which would enhance voluntary compliance, thereby reducing the cost, now exceeding $1.2 billion per year, of financial child support enforcement.

For a mere $5 million, four tenths of one percent (0.4%) of the current financial child support enforcement budget, services such as the Iowa Access Enforcement Project could be established in all fifty states. Such offices would handle approximately eight new cases per day and, in most cases, find inexpensive, non-litigation remedies to the denial of child access which, if left unchecked, would result in future delinquency in financial child support.

I consider your willingness to insert such an amendment into the Shelby-Hyde bill to be a very positive and timely development. Some federal and state child support enforcement legislation has been very one-sided and inequitable. In my experience, such one-sided legislation has counter-productive consequences by reinforcing the impressions of non-custodial parents that the courts, the administration, Congress, and the state legislatures are aligned with their "ex". It will be much more productive to show non-custodial parents that government

is concerned about child access as well as financial child support.

Sincerely,

DICK WOODS, A.A.C.,
Director, Iowa Child Access Enforcement Project.

CHILDREN'S RIGHTS COUNCIL,
Washington, DC, September 3, 1992.

Hon. HERBERT KOHL,
U.S. Senate, Washington, DC.

DEAR SENATOR KOHL: Our Children's Rights Council, with chapters in 20 states, strongly supports the proposal to create an interstate commission in the Shelby bill (S. 1002).

We urge that the commission focus on interstate access/visitation questions, because this in itself is a large agenda.

As stated in the enclosed newsletter "Speak Out for Children" an estimated 6,600,000 children are suffering interference with access to a parent. There are millions more children with access problems to their grandparents.

In an age when we realize more and more the importance of parenting, it is time to address the problems of access or visitation to parents and grandparents.

If we pay more attention to access problems, we will also improve financial child support collections. The main reason Congress was convinced to add Sec. 504 to the Family Support Act (to provide for access demonstration grants to several states) was Michigan's "Friend of the court. In Michigan, the only state with a state-wide staff to investigate access as well as support complaints, the state collected more in child support per administrative dollar than any other state. In 1988, when the Family Support Act was passed, Michigan collected $8.33 for every dollar spent to collect. This high rate was due, said Michigan State Senator Debbie Stabenow, to the "Friend of the Court" and balanced family law legislation.

For the sake of our children, we urge support for the interstate commission. Thank you.

Sincerely yours,

DAVID L. LEVY, Esq.,
President, CRC.

TRIBUTE TO STEVE DRESS

Mr. WELLSTONE. Mr. President, Steve Dress, age 60, a great labor leader and great advocate for poor people, for homeless people, for economic justice, died of cancer Friday at United Hospital in St. Paul. I am grateful that my wife Sheila and I had a chance to visit with Steve in the hospital before he passed away. He will be sorely missed. I know I join many others in Minnesota today who mourn his death and who will gather this afternoon to recall and celebrate his life. I extend my deepest sympathy to Steve's family.

Steve was a mathematics teacher for 30 years at Hazel Park Junior High School in St. Paul. He was business agent of the St. Paul Trades and Labor Assembly. He was a former president of Local 28 of the Minnesota Federation of Teachers, and he held a host of other important positions in the community throughout his long career. But most important of all, Mr. President, Steve Dress had tremendous vision.

I have a friend who works with me. Her name is Sarah Stoesz and she put it best to me. She said:

As a younger woman who has been involved in the labor movement, I was grateful that Steve Dress was one man who, from the very beginning, gave me unwavering support.

His sensitivity toward people, his commitment to people, his vision and his kindness I think will never be forgotten by any of us who were touched by Steve Dress.

Mr. President, I do not very often come to the floor with this kind of personal testimony, but the reason I speak on the floor of the Senate today is that I want Steve Dress' life—and his passing—to be noted in the official history of the United States of America.

Mr. President, I ask unanimous consent to print in the RECORD two articles, written on the occasion of Steve's death; one from the Minneapolis Star Tribune and one from the St. Paul Pioneer Press.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star Tribune, Sept. 19, 1992]

LABOR LEADER, ADVOCATE STEVE DRESS DIES

Steve E. Dress, 60, an outspoken invocate for organized labor, for children, and for the poor, unemployed and homeless, died of cancer Friday at United Hospital in St. Paul.

Dress of St. Paul, was business representative for the St. Paul Trades and Labor Assembly from 1986 until his death. He was the chief spokesman for about 36,000 members of 108 affiliated unions in the St. Paul area at the Legislature, the St. Paul City Council, the Ramsey County Board and other governing boards.

"Steve had a knack for keeping everybody happy," said Louise Greongard, president of the St. Paul Trades and Labor Assembly. "He could take two opposite forces and mold them into one and have them work side by side and get things done."

Dress had been a math teacher at Hazel Park Junior High School in St. Paul for nearly 30 years and was president of the St. Paul Federation of Teachers Local 28 for five years. He was one of the union's delegates to the labor assembly when his colleagues urged him to run for business representative. He took a leave from teaching when he got the job in 1986. He coordinated political and solidarity activities, and built the assembly into a strong organization to promote union-endorsed political candidates.

Bill Peterson, secretary-treasurer of the Minnesota AFL-CIO, said Dress had a great deal of influence on elected officials and didn't hesitate to call them on the carpet or to praise them. "He had a great deal of determination and fortitude," Peterson said. "If he got behind something and truly believed and felt it was in the best interests of the people he represented, he was very tenacious and wouldn't let up on it."

When Dress felt that children weren't getting enough help with their homework at home, he started a "Dial-A-Teacher" program. He was instrumental in starting the Labor Studies program, an elective curriculum in the St. Paul schools about unions and the history of the labor movement.

He promoted and reestablished in 1988 the annual Labor Day celebration and picnic, which had not been held for 70 years.

He believed that unions, and society as a whole, had a commitment to help the indigent. In a speech on the first anniversary of his election, he said, "There are 300 food shelves in this state today and it's still not enough. You go over to the Dorothy Day Center and you see kids. Kids are standing in line to get something to eat. Those are our issues—absolutely our issues. Labor must come to the front again."

Dress also got involved in issues that other labor leaders wouldn't touch, said Tom Lancy, recording secretary for the United Auto Workers Local 879 at the Ford plant in St. Paul. He spoke at rallies in support of the striking P-9 members at the Hormel plant in Austin, Minn., and headed antiwar meetings at labor halls during the Persian Gulf War.

"Martin Luther King said, 'You don't judge a person by where they stand in times of comfort and convenience, but where they stand in moments of challenge and controversy,'" Lancy said yesterday. "[Dress] just epitomized that. Our local is sort of a maverick local. He might not have agreed with the positions we took, but he supported us anyway. We're really going to miss him."

Dress was vice president and an executive board member of the state AFL–CIO, a board member of the United Way of the St. Paul Area, a member of the St. Paul Task Forces on Dislocated Workers and on Hunger and Homelessness and a member of the Minnesota State Vocational Committee.

He is survived by daughters, Cindy Fournelle, Cherie Flelschhaker and Stacy Fairbanks of St. Paul; sons Steven, Tony and Thomas of St. Paul; a brother, Peter, of Edina; a sister, Elena Pierce, of North St. Paul, and eight grandchildren.

Services will be held at 1:30 p.m. Monday at the St. Paul Trades and Labor Assembly (St. Paul Labor Center), 411 Main St., St. Paul. Visitation will be from 3 to 7 p.m., Sunday at the Willwerscheid & Peters Mortuary, 1167 Grand Av., St. Paul. Memorials to the St. Paul Federation of Teachers Local 28 Scholarship Fund or to the Labor Studios program are suggested.

[From the St. Paul Pioneer Press, Sept. 19, 1992]

UNION LEADER, MATH TEACHER STEVE DRESS DIES OF CANCER

(By Jim Ragsdale)

Steve Dress, a math teacher who rose through the "white-collar" union ranks to run one of St. Paul's most influential labor organizations, died Friday of cancer at the age of 60.

Since 1986, Dress served as business agent for the St. Paul Trades and Labor Assembly, a coalition of more than 100 locals that is active in civic work, lobbying and endorsing candidates. Dress and his organization were regarded as major players in St. Paul's political life.

"He was totally dedicated to the labor movement," said Dick Anfang, head of the St. Paul Building and Construction Trades Council, who often worked with Dress on labor issues.

Bernard Brommer, president of the Minnesota AFL-CIO, where Dress sat on the executive council, said Dress had "a high level of impatience for injustices he saw in the workplace and in the political arena."

Dress grew up in St. Paul, attended Mankato State University and spent nearly three decades teaching math in St. Paul. At first, he once recalled, he refused to join the teachers' federation, believing professionals did not need unions.

But once he changed his views, he became a fervent unionist helping to negotiate

teachers' contracts and serving as president of the St. Paul Federation of Teachers. He taught math for years at Hazel Park Junior High School and lived in St. Paul.

When he was first elected to head the Trades and Labor Assembly, it was believed he was the first official from a "white collar" union to head the organization, which historically had been led by blue-collar trades workers.

Louis Greengard, president of the assembly, credited Dress with molding the assembly into a cohesive and influential voice for labor in St. Paul, which has long been known as a strong labor town.

"He was a great motivator," Greengard said. "He could take two adverse groups and mold them into one group, to do the job that had to be done."

Mike McLaughlin, former DFL chairman for the 4th Congressional District, said of Dress, "Everyone respected his judgment. He was never the overbearing, bossy type of guy. He was a conciliator. He got things done by working behind the scenes."

Dress is survived by his children, Cindy Fournelle, Steven C. Dress, Cherie Fleischacker, Tony Dress, Thomas Dress and Stacy Fairbanks, and their mother, Betty Dress, all of St. Paul; eight grandchildren; his companion, Gloria Van Ruden, his brother, Peter Dress of Edina, and his sister, Elena Pierce of North St. Paul.

Visitation will be from 3 p.m. to 7 p.m. Sunday at Willwerscheld & Peters Mortuary, 1167 Grand Ave. Services will be at 1:30 p.m. Monday at the St. Paul Labor Center, 411 Main St., St. Paul. Burial will be at Union Cemetery.

NATIONAL CANCER INSTITUTE FUNDING

Mr. LEVIN. Mr. President, I was very pleased that a proton cancer treatment amendment which I offered this past Thursday to the Labor, HHS, and Education appropriations was accepted by the managers of the bill. However, because of a misstatement contained in one of the paragraphs of my remarks of September 17, 1992, I am submitting the following corrected statement. It reads as follows:

PROTON CANCER TREATMENT

Mr. LEVIN. Mr. President, my amendment provides that up to $1 million of National Cancer Institute funds may be used for the expansion project for cancer treatment by the consortium of Michigan State University's National Superconducting Cyclotron Laboratory, Wayne State University and the University of Michigan. The expansion project proposes to convert the present K-500 superconducting cyclotron of the National Superconducting Cyclotron Laboratory [NSCL] into a 250-MeV proton synchrocyclotron solely dedicated to proton cancer therapy. The planned conversion includes a building for an outpatient treatment facility with additional shielded radiation rooms and ancillary equipment.

Mr. President, the success of this proposed expansion has nationwide implications as thousands of cancer patients are expected to benefit from this proton therapy. According to medical experts this life saving technology is gaining acceptance for treatment in certain cases including arteriovenous malformations, small brain tumors, tumors of the eye and pituitary, and chondrosarcomas and chordomas close to the brain stem. Although there is an established clinical role for proton therapy, there is undoubtedly a large resource of untapped potential and further clinical research is necessary to realize this potential.

Dr. Arthur T. Porter, chief of the Gershenson Radiation Oncology Center at Harper Hospital, and chair of Wayne State University School of Medicine in Detroit has made particular note of the technological features which enhance the tumor-killing properties of protons without bringing harm to non-cancerous tissue. According to Dr. Porter, and the other team of experts within the consortium, of all the ways of delivering radiation, proton beams have been shown to be the best in giving the most dose to the tumor and the least dose to the surrounding normal tissues. This allows the best chance of obtaining tumor destruction without complications.

Dr. Henry G. Blosser, professor of physics at the NSCL/MSU and developer of the world's first superconducting cyclotron says that an attractive feature of superconducting cyclotrons for medical applications is that they are considerably smaller, lighter, more energy efficient and easier to operate than a conventional cyclotron.

The consortium contributes unique and valued data to the project. This consortium has a proven track record in the field of particle radiation therapy and will bring this important therapy to those patients who can best benefit from its use. An executive committee consisting of representatives from each participant organization will provide direction to the project.

Mr. President, NSCL is nationally and internationally recognized as the leading scientific resource for the development of superconducting cyclotron technology having developed the world's first superconducting cyclotron, the world's highest energy superconducting cyclotron, and the world's first medical superconducting cyclotron.

Mr. President, this joint project between the Gershenson Radiation Oncology Center at Harper Hospital/Wayne State University and NSCL/Michigan State University is a most worthy endeavor and deserves the support of this body.

I ask unanimous consent that the amendment be printed for the RECORD. The amendment reads as follows:

In the appropriate place in title II insert the following new section:

"Of the $2,010,439,000 provided for the National Cancer Institute, up to $1,000,000 may be used for expansion of an existing superconducting cyclotron at the National Superconducting Cyclotron Laboratory for proton radiation therapy treatment of cancer patients."

RADIO FREE ASIA COMMISSION REPORT

Mr. HATCH. Mr. President, I have long believed that access to information is an important key to political reform and change around the world. Radio Free Europe [RFE] and Radio Liberty beamed information into the heart of Eastern Europe and the former Soviet Union. These broadcasts allowed the citizens in authoritarian countries to hear news about what was happening in their own country and paved the way toward democracy. Lech Walesa has said that these broadcasts were important for helping to create and strengthen the solidarity movement. Lithuanian President Landesberg is sought to nominate RFE for a Nobel Prize. It is clear that surrogate broadcasting worked in Eastern Europe and countinues to be an effective tool for combating political repression and censorship abroad.

With the recent release of the Radio Free Asia Commission report, it is time to turn our attention to radio broadcasting in Asia. While I believe that the United States should broadcast news and information to a number of countries in Asia with serious human rights violations, I am particularly interested in the future of North Korea. This regime possesses the most egregious human rights record in Asia. Kim Il-Sung has built the world's largest personality cult through cutting off contact with the outside world. He has isolated an entire nation and sought to infect his people with his sense of paranoia and xenophobia. Kim Il-Sung has gone so far as to limit radios in North Korea to only three stations. This modern-day hermit kingdom is also seeking the technology to build nuclear weapons. Kim Il-Sung's obsession with political isolation and nuclear technology is an extremely dangerous combination. It is clear that North Korea needs to be drawn out of its shell, but the primary question is how to achieve this goal.

Congress should continue to explore creative options designed to expand broadcasts to North Korea and to circumvent government-imposed censorship. Other ideas to promote contacts and exchange with the North Korean people should be examined as well. The important point is that we reach out to the North Korean people and offer them an alternative source of information and news. In this way, the United States and its allies will help weaken the stranglehold that Kim Il-Sung has on North Korea. Mr. President, Diana Lady Dougan of the Center for Strategic and International Studies [CSIS] has written a piece on this very subject, and I would like to include it for the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

N. KOREA STILL ISOLATED, STILL A THREAT

(By Diana Lady Dougan)

The recent change of heart allowing limited nuclear site inspection and returning the remains of 30 Korean War casualties have political pundits suddenly rejoicing that North Korea is finally joining the so-called new world order.

Don't start celebrating yet.

In reality, little has changed politically in North Korea. Indeed, the recent 80th birthday celebration of their "great and glorious leader," Kim Il-Sung, was a monument to dictator decadence and brain-washed submissiveness. (The only new "washing" seemed to be courtesy of the six towels and six bars of soap each of Kim-Il-Sung's 21 million subjects received in honor of the great occasion.)

At first glance, North Korea's 40-plus years of totalitarian communist rule holds no more drama than many other spots on the map.

Like East and West Germany, North and South Korea were arbitrary creations of politics rather than ethnic or economic differences. Romania had a comparably megalomaniacal dictator. Albania long practiced an equally high level of xenophobia. Yet each of these countries has joined the tidal wave of change towards democracy. Why not North Korea?

One major reason is "electronic isolation." Unlike Eastern Europe and the former Soviet Union, North Korea has successfully kept out the invasion of broadcast signals that fueled political change across the globe.

The people of North Korea have not been able to hear the dissenting voices of VOA, BBC or Radio Liberty, much less see the diverse images of CNN, the U.S. Armed Forces Television or the South Korean channels that beam into hotels and homes less than 50 miles away in the bustling capital of South Korea.

While many communist countries spent millions (some say billions) in jamming Western shortwave radio broadcasts, the North Koreans have simply "neutered" the receiving equipment. All radios and TV's in North Korea are soldered to receive only the channels that are official transmissions of the North Korean government.

Few citizens risk the heavy and swift jail sentences for not properly "registering" all electronic equipment. Since all radios and TV's require a "physical" examination to be properly registered, the government kindly "fixes" even the few imported gifts that have been known to enter the country.

Ironically, the only outside messages currently penetrating the borders of North Korea are religious—and not just by Billy Graham.

During a recent meeting in Seoul, I discussed the situation with our U.S. Ambassador, Don Gregg, an old Korea hand. He recounted his cynicism when a visiting American evangelist recently boasted that his sermons and Bible messages were getting through to the North. It seems however, that the evangelist has done some serious homework.

The enterprising evangelist started by researching where North Koreans can still conveniently bicycle across the bridges to the Chinese side of the Yalu River to buy much needed personal necessities. He then determined that the most coveted items are ladies' underwear.

Instead of supplementing the already limited supply of plain, utilitarian undies, the evangelist is sending in shipments of colorful lace delicacies at reasonable prices. These attractive undergarments are decorated with more than lace, however. Every brassiere and panty is covered with an assortment of biblical quotes and pithy sermonettes written in Korean.

The minister firmly believes that thousands of North Korean ladies and their attentive spouses and friends are now getting close-up "exposure" to the messages of Christianity.

While one is tempted to chuckle at the whimsy of an enterprising evangelist, the issue of getting through to North Korea is a serious matter. Defense Secretary Dick Cheney has pegged North Korea as the most critical "flashpoint" in the world, reminding us ominously that "North Korea's 40-year history of aggression, terrorism and irresponsible weapons sales has acquired a dangerous new dimension—the development of nuclear weapons.

It is frightening that the even mildly appeasing rhetoric and vague promises of nuclear stand-downs is totally dependent on the personal whim of Kim Il-Sung or his slightly crazed, but anointed son.

Kin Il-Sung's tightly controlled internal propaganda machine continues to feed fear and distrust of the West. More important, as long as North Korea remains isolated from external sources of news and information, it maintains a dangerous potential to strike out like a startled animal suddenly confronted with things it doesn't understand. Armed with nuclear claws, it could be lethal indeed.

Before any serious initiative toward Korean reunification can hope to take root, diverse avenues of information must develop. As events in Germany palpably demonstrated, the Berlin Wall was neither soundproof nor videoproof. Democratic values and market concepts had been continuously leaping over the Berlin Wall courtesy of Western radio and TV for more than a decade prior to unification.

The Bush administration is currently agonizing over its international broadcast priorities in a post-Cold War era. While broadcasting continues to Eastern Europe and the former Soviet Union, high on the list is how to more effectively reach the People's Republic of China. Both VOA and a recently appointed presidential task force are wrestling with complex problems of securing transmitter sites, developing more programs and tapping limited resources.

While no one is discounting the importance of China, it is at least lurching towards openness and liberalization. The United States would do well to give some serious attention to getting through to the even more isolated North Korea.

Second, spending money on traditional shortwave transmitters and programs is not enough. New and creative thinking is required where North Korea is concerned.

Those who suggest we should wait patiently for the demise of Kim Il-Sung are courting disaster. His increasingly enfranchised son is known to be dumb as well as crazy—a nasty combination in dictators. Let's not leave the people of North Korea alone with them.

INDIAN HEALTH CARE AMENDMENTS ACT

The text of the bill (S. 2481) to amend the Indian Health Care Improvement Act to authorize appropriations for Indian health programs, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 2481

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 "Indian Health Care Amendments Act of 1992".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Amendments to Indian Health Care Improvement Act.
Sec. 3. Findings; policy; definitions.

TITLE I—INDIAN HEALTH MANPOWER

Sec. 101. Purpose.
Sec. 102. Health professions.
Sec. 103. Breach of contract provisions relating to Indian health scholarships.
Sec. 104. Nursing.
Sec. 105. Maintenance of community health representative program.
Sec. 106. Changes to Indian health service loan repayment program.
Sec. 107. Recruitment activities.
Sec. 108. Advanced training and research.
Sec. 109. Tribally controlled postsecondary vocational institutions.
Sec. 110. INMED program.
Sec. 110A. Quentin N. Burdick Indian Health Program.
Sec. 111. Scholarship and loan repayment recovery.
Sec. 112. Matching grants to tribes.
Sec. 113. Community health aid program.
Sec. 114. Tribal health program administration.
Sec. 115. Placement of participants in scholarship and loan repayment programs.
Sec. 116. Interdisciplinary training grants.
Sec. 117. Manpower shortages.
Sec. 118. Authorization of appropriations.

TITLE II—HEALTH SERVICES

Sec. 201. Health status and resource deficiency status.
Sec. 202. Catastrophic health emergency fund.
Sec. 203. Health promotion and disease prevention.
Sec. 204. Diabetes prevention, treatment, and control.
Sec. 205. Mental health prevention and treatment services.
Sec. 206. New studies.
Sec. 207. Right of recovery.
Sec. 208. Epidemiology grant program.
Sec. 209. California contract health services demonstration program.
Sec. 210. Coverage of screening mammography.
Sec. 211. Comprehensive school health education programs.
Sec. 212. Indian youth grant program.
Sec. 213. Tuberculosis prevention demonstration program.
Sec. 214. Patient travel costs.
Sec. 215. Authorization of appropriations.
Sec. 216. Contract Health Services payment study.
Sec. 217. Native Hawaiian health scholarships.
Sec. 218. Payment of claims.

TITLE III—HEALTH FACILITIES

Sec. 301. Health facilities closure and priorities.
Sec. 302. Safe water and sanitary waste disposal facilities.

Sec. 303. Ambulatory care facilities grant program.
Sec. 304. Indian health care delivery demonstration project.
Sec. 305. Expenditure of nonservice funds for renovation.
Sec. 306. Authorization of appropriations.
TITLE IV—ACCESS TO HEALTH SERVICES
Sec. 401. Treatment of payments to Indian health service facilities under medicare and medicaid programs.
Sec. 402. Report.
Sec. 403. Grants to and contracts with tribal organizations.
Sec. 404. Extension of demonstration program.
Sec. 405. Additional authority.
Sec. 406. Authorization of appropriations.
TITLE V—HEALTH SERVICES FOR URBAN INDIANS
Sec. 501. Authorization of appropriations.
Sec. 502. Grant authority.
Sec. 503. Federal Tort Claims Act coverage.
Sec. 504. Treatment of demonstration programs.
TITLE VI—ORGANIZATIONAL IMPROVEMENTS
Sec. 601. Indian Health Service.
Sec. 602. Authorization of appropriations.
Sec. 603. Director of Indian Health Service.
TITLE VII—SUBSTANCE ABUSE PROGRAMS
Sec. 701. Redesignation of existing title VII.
Sec. 702. Substance abuse programs.
TITLE VIII—MISCELLANEOUS
Sec. 801. Reports.
Sec. 802. Regulations.
Sec. 803. Extension of treatment of Arizona as a contract health service delivery area.
Sec. 804. Infant and maternal mortality; fetal alcohol syndrome.
Sec. 805. Reallocation of base resources.
Sec. 806. Child sexual abuse treatment programs.
Sec. 807. Tribal leasing.
Sec. 808. Extension of tribal management demonstration project termination date in certain cases.
Sec. 809. Long-term care demonstration project.
Sec. 810. Results of demonstration projects.
Sec. 811. Authorization of appropriations.
Sec. 812. Tribal self-governance project.
Sec. 813. Waiver of paperwork reduction.
Sec. 814. Joint venture demonstration projects.
Sec. 815. Demonstration of electronic data submission.
Sec. 816. Land transfer.
Sec. 817. Leases with Indian tribes.
Sec. 818. Office of Indian Women's Health Care.
Sec. 819. Health professional priorities in related program.
Sec. 820. Priority for Indian reservations.
TITLE IX—TECHNICAL CORRECTIONS
Sec. 901. Repeal of expired reporting requirements.
Sec. 902. Other technical corrections.

SEC. 2. AMENDMENTS TO INDIAN HEALTH CARE IMPROVEMENT ACT.

Whenever in this Act a section or other provision is amended or repealed, such amendment or repeal shall be considered to be made to that section or other provision of the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.).

SEC. 3. FINDINGS; POLICY; DEFINITIONS.

(a) FINDINGS.—Section 2 of the Act (25 U.S.C. 1601) is amended—

(1) in paragraph (d), by striking the second sentence;

(2) by striking subsection (e) and inserting the following:

"(e) The unmet needs of tribal groups or local populations are sufficiently varied that resources provided for contracts under the authority of the Indian Self-Determination Act should provide maximum flexibility for tribal use of these funds in meeting local priorities."; and

(3) by striking paragraphs (f) and (g).

(b) DECLARATION OF POLICY.—Section 3 of the Act (25 U.S.C. 1602) is amended to read as follows:

"DECLARATION OF HEALTH OBJECTIVES

"SEC. 3. (a) The Congress declares that it is the policy of the United States—

"(1) in fulfillment of its special responsibilities and legal obligation to the American Indian and Alaska Native people residing throughout the United States, to meet the national goal of providing the highest possible health status to Indians and to provide existing Indian health services with all resources necessary to effect that policy.

"(2) to raise the health status of American Indian and Alaska Native people to the highest possible level;

"(3) to assure that all persons who are eligible for the health care services provided by the Indian Health Service have access to the same fundamental health care benefits; and

"(4) to assure the development of a comprehensive health care system, including tribal health care programs, that will meet the health care needs of American Indian and Alaska Native people in each of the developmental stages of life.

"(b) It is the intent of the Congress that the Nation meet the following health objectives with respect to Indians by the year 2000:

"(1) Reduce coronary heart disease deaths to no more than 100 per 100,000.

"(2) Reduce the prevalence of overweight individuals to no more than 30 percent.

"(3) Reduce the prevalence of anemia to less than 10 percent among children aged 1 through 5.

"(4) Reverse the rise in cancer deaths to achieve a rate of no more than 130 per 100,000.

"(5) Slow the rise in lung cancer deaths to achieve a rate of no more than 42 per 100,000.

"(6) Slow the rise in deaths from chronic obstructive pulmonary disease to achieve a rate of no more than 25 per 100,000.

"(7) Reduce deaths among men caused by alcohol-related motor vehicle crashes to no more than 44.8 per 100,000.

"(8) Reduce cirrhosis deaths to no more than 13 per 100,000.

"(9) Reduce drug-related deaths to no more than 3 per 100,000.

"(10) Reduce pregnancies among girls aged 17 and younger to no more than 50 per 1,000 adolescents.

"(11) Reduce to no more than 30 percent the proportion of pregnancies that are unintended.

"(12) Reduce suicide among men to no more than 12.8 per 100,000.

"(13) Reduce by 15 percent the incidence of injurious suicide attempts among adolescents aged 14 through 17.

"(14) Reduce to less than 10 percent the prevalence of mental disorders among children and adolescents.

"(15) Reduce homicides to no more than 11.3 per 100,000.

"(16) Reduce the incidence of child abuse or neglect to less than 25.2 per 1,000 children under age 18.

"(17) Reduce physical abuse directed at women by male partners to no more than 27 per 1,000 couples.

"(18) Reduce rape and attempted rape of women aged 12 and older to no more than 107 per 100,000 women.

"(19) Increase years of healthy life to at least 65 years.

"(20) Reduce deaths caused by unintentional injuries to no more than 66.1 per 100,000.

"(21) Reduce deaths caused by motor vehicle crashes to no more than 39.2 per 100,000.

"(22) Among children aged 6 months through 5 years, reduce the prevalence of blood lead levels exceeding 15 ug/dL and reduce to zero the prevalence of blood lead levels exceeding 25 ug/dL.

"(23) Reduce dental caries (cavities) so that the proportion of children with one or more caries (in permanent or primary teeth) is no more than 45 percent among children aged 6 through 8 and no more than 60 percent among adolescents aged 15.

"(24) Reduce untreated dental caries so that the proportion of children with untreated caries (in permanent or primary teeth) is no more than 20 percent among children aged 6 through 8 and no more than 70 percent among adolescents aged 15.

"(25) Reduce to no more than 20 percent the proportion of individuals aged 65 and older who have lost all of their natural teeth.

"(26) Reduce the prevalence of gingivitis aged 35–44 to no more than 50 percent.

"(27) Increase to at least 45 percent the proportion of individuals aged 35 to 44 who have never lost a permanent tooth due to dental caries or periodontal disease.

"(28) Reduce destructive periodontal diseases to a prevalence of no more than 15 percent among individuals aged 35 to 44.

"(29) Increase to at least 50 percent the proportion of children who have received protective sealants on the occlusal (chewing) surfaces of permanent molar teeth.

"(30) Increase to at least 65 percent the proportion of parents and caregivers who use feeding practices that prevent baby bottle tooth decay.

"(31) Reduce the infant mortality rate to no more than 8.5 per 1,000 live births.

"(32) Reduce the fetal death rate (20 or more weeks of gestation) to no more than 4 per 1,000 live births plus fetal deaths.

"(33) Reduce the maternal mortality rate to no more than 3.3 per 100,000 live births.

"(34) Reduce the incidence of fetal alcohol syndrome to no more than 2 per 1,000 live births.

"(35) Reduce stroke deaths to no more than 20 per 100,000.

"(36) Reverse the increase in end-stage renal disease (requiring maintenance dialysis or transplantation) to attain an incidence of no more than 13 per 100,000.

"(37) Reduce breast cancer deaths to no more than 20.6 per 100,000 women.

"(38) Reduce deaths from cancer of the uterine cervix to no more than 1.3 per 100,000 women.

"(39) Reduce colorectal cancer deaths to no more than 13.2 per 100,000.

"(40) Reduce to no more than 11 percent the proportion of individuals who experience a limitation in major activity due to chronic conditions.

"(41) Reduce significant hearing impairment to a prevalence of no more than 82 per 1,000.

"(42) Reduce significant visual impairment to a prevalence of no more than 30 per 1,000.

"(43) Reduce diabetes-related deaths to no more than 48 per 100,000.

"(44) Reduce diabetes to an incidence of no more than 2.5 per 1,000 and a prevalence of no more than 62 per 1,000.

"(45) Reduce the most severe complications of diabetes as follows:

"(A) End-stage renal disease, 1.9 per 1,000.

"(B) Blindness, 1.4 per 1,000.

"(C) Lower extremity amputation, 4.9 per 1,000.

"(D) Perinatal mortality, 2 percent.

"(E) Major congenital malformations, 4 percent.

"(46) Confine annual incidence of diagnosed AIDS cases to no more than 1,000 cases.

"(47) Confine the prevalence of HIV infection to no more than 100 per 100,000.

"(48) Reduce gonorrhea to an incidence of no more than 225 cases per 100,000.

"(49) Reduce Chlamydia trachomatis infections, as measured by a decrease in the incidence of nongonococcal urethritis to no more than 170 cases per 100,000.

"(50) Reduce primary and secondary syphilis to an incidence of no more than 10 cases per 100,000.

"(51) Reduce the incidence of pelvic inflammatory disease, as measured by a reduction in hospitalization for pelvic inflammatory disease to no more than 250 per 100,000 women aged 15 through 44.

"(52) Reduce sexually transmitted hepatitis B infection to no more than 30,500 cases.

"(53) Reduce indigenous cases of vaccine-preventable diseases as follows:

"(A) Diphtheria among individuals aged 25 and younger, 0.

"(B) Tetanus among individuals aged 25 and younger, 0.

"(C) Polio (wild-type virus), 0.

"(D) Measles, 0.

"(E) Rubella, 0.

"(F) Congenital Rubella Syndrome, 0.

"(G) Mumps, 500.

"(H) Pertussis, 1,000.

"(54) Reduce epidemic-related pneumonia and influenza deaths among individuals aged 65 and older to no more than 7.3 per 100,000.

"(55) Reduce the number of new carriers of viral hepatitis B among Alaska Natives to no more than 1 case.

"(56) Reduce tuberculosis to an incidence of no more than 15 cases per 100,000.

"(57) Reduce bacterial meningitis to no more than 8 cases per 100,000.

"(58) Reduce infectious diarrhea by at least 25 percent among children.

"(59) Reduce acute middle ear infections among children aged 4 and younger, as measured by days of restricted activity or school absenteeism, to no more than 105 days per 100 children.

"(60) Reduce pneumonia-related days of restricted activity as follows:

"(A) Individuals aged 65 and older (per 100 people), 38 days.

"(B) Children aged 4 and younger (per 100 children), 24 days.

"(61) Reduce cigarette smoking to a prevalence of no more than 20 percent.

"(62) Reduce smokeless tobacco use by Indian and Alaska Native youth to a prevalence of no more than 10 percent.

"(63) Increase to at least 65 percent the proportion of Indian and Alaska Native parents and caregivers who use feeding practices that prevent baby bottle tooth decay.

"(64) Increase to at least 75 percent the proportion of Indian and Alaska Native mothers who breast feed their babies in the early postpartum period, and to at least 50 percent the proportion who continue breast feeding until their babies are 5 to 6 months old.

"(65) Increase to at least 90 percent the proportion of pregnant Indian and Alaska Native women who receive prenatal care in the first trimester of pregnancy.

"(66) Increase to at least 70 percent the proportion of Indians and Alaska Natives who have received, as a minimum within the appropriate interval, all of the screening and immunization services and at least one of the counseling services appropriate for their age and gender as recommended by the United States Preventive Services Task Force.

"(67) Increase the proportion of degrees awarded to Indians and Alaska Natives in the health professions and allied and associated health profession fields to 0.6 percent.

"(68) Develop and implement a national process to identify significant gaps in the disease prevention and health promotion data for Indians and Alaska Natives and establish mechanisms to meet these needs.

"(69) Increase services to older individuals who are in need of medical care, personal care, or chore services in their home.

"(c) The Secretary shall submit to the President, for inclusion in each report required to be transmitted to the Congress under section 801, a report on the progress made in each area of the Service toward meeting each of the objectives described in subsection (b).

"(d) The objectives set forth in subsection (b) should include an emphasis on preventive, community-based services including, well-child and well-elder clinics, emphasis on family rather than individual treatment, and emphasis on in-home and community-based services for Indians who are aged 65 and older or who are functionally impaired.

"(e) The Secretary may revise the health objectives set forth in subsection (b) to reflect the findings of the Surgeon General related to American Indians and Alaska Natives contained in the 'Healthy People 2000' report.".

(c) DEFINITIONS.—Section 4 of the Act (25 U.S.C. 1603) is amended—

(1) in subsection (c)—

(A) by striking ", irrespective of whether he or she lives on or near a reservation,"; and

(B) by inserting "irrespective of whether he or she lives on or near a reservation," immediately after "such member,"; and

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

"(m) 'Service area' means the geographical area served by each Area office.

"(n) 'Health profession' means medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatric medicine, geriatric medicine, psychology, social work, marriage and family therapy, environmental health and engineering, public health, nursing, public health nursing, chiropractic medicine, or an allied health profession.

"(o) 'Health professional' means an individual with a degree in a health profession.

"(p) 'Substance abuse' includes inhalant abuse.".

TITLE I—INDIAN HEALTH MANPOWER

SEC. 101. PURPOSE.

Section 101 of the Act (25 U.S.C. 1611) is amended to read as follows:

"PURPOSE

"SEC. 101. The purpose of this title is to increase the number of Indians entering the health professions and to assure an adequate supply of health professionals to Indians, Indian tribes, tribal organizations, and urban Indian organizations involved in the provision of primary health care to Indian people.".

SEC. 102. HEALTH PROFESSIONS.

(a) RECRUITMENT PROGRAM.—Section 102(a) of the Act (25 U.S.C. 1612(a)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) identifying Indians with a potential for education or training in the health professions, as defined in section 4(n), and encouraging and assisting them—

"(A) to enroll in courses of study in such professions; or

"(B) if they are not qualified to enroll in any such courses of study, to undertake such postsecondary education or training as may be required to qualify them for enrollment;";

(2) in paragraph (2)—

(A) by striking "school" both places it appears and inserting "course of study"; and

(B) by striking "clause (1)(A)" and inserting "paragraph (1)"; and

(3) in paragraph (3)—

(A) by inserting "in" immediately after "Indians";

(B) by inserting a comma before "courses";

(C) by striking ", in any school"; and

(D) by striking "clause (1)(A)" and inserting "paragraph (1)".

(b) PREPARATORY SCHOLARSHIP PROGRAM.—Section 103 of the Act (25 U.S.C. 1613) is amended—

(1) by striking subsection (a)(2) and inserting the following:

"(2) have demonstrated the capability to successfully complete courses of study in the health professions, as defined in section 4(n).";

(2) in subsection (b)(1), by inserting before the period at the end "on a full-time basis (or the part-time equivalent thereof, as determined by the Secretary)";

(3) by striking subsection (b)(2) and inserting the following:

"(2) Pregraduate education of any grantee leading to a baccalaureate degree in an approved course of study preparatory to a field of study specified in subsection (a)(2), such scholarship not to exceed 4 years (or the part-time equivalent thereof, as determined by the Secretary).";

(4) in subsection (c), by striking "full time"; and

(5) by striking subsection (e) and inserting the following:

"(e) The Secretary shall not deny scholarship assistance to an eligible applicant under this section solely by reason of such applicant's eligibility for assistance or benefits under any other Federal program.".

(c) HEALTH PROFESSIONS SCHOLARSHIPS.—Section 104 of the Act (25 U.S.C. 1613a) is amended—

(1) in subsection (a)—

(A) by striking "Indian communities" and inserting "Indians, Indian tribes, tribal organizations, and urban Indian organizations";

(B) by striking "full time" and inserting "full or part time"; and

(C) by striking "of medicine" and all that follows through "social work" and inserting "and pursuing courses of study in the health professions, as defined in section 4(n)";

(2) in subsection (b)—

(A) in paragraph (2)—

(i) by striking "full time" and inserting "full or part time"; and

(ii) by striking "health profession school" and inserting "course of study"; and

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

"(4) In the case of an individual receiving a scholarship under this section who is enrolled part time in an approved course of study—

"(A) such scholarship shall be for a period of years not to exceed the part-time equivalent of 4 years, as determined by the Secretary;

"(B) the period of obligated service specified in section 338A(f)(1)(B)(iv) of the Public Health Service Act (42 U.S.C. 254m(f)(1)(B)(iv)) shall be equal to the greater of—

"(i) the part-time equivalent of one year for each year for which the individual was provided a scholarship (as determined by the Secretary); or

"(ii) two years; and

"(C) the amount of the monthly stipend specified in section 338A(g)(1)(B) of the Public Health Service Act (42 U.S.C. 254m(g)(1)(B)) shall be reduced pro rata (as determined by the Secretary) based on the number of hours such student is enrolled.";

(3) by striking subsection (c) and inserting the following:

"(c) The Secretary shall not deny scholarship assistance to an eligible applicant under this section solely by reason of such applicant's eligibility for assistance or benefits under any other Federal program."; and

(4) by striking subsection (d) and inserting the following:

"(d) The Secretary shall, acting through the Service, establish a Placement Office to develop and implement a national policy for the placement in available vacancies within the Service of health professionals required to meet the active duty service obligation prescribed under section 338C of the Public Health Service Act (42 U.S.C. 254m) without regard to any competitive personnel system, agency personnel limitation, or Indian preference policy.".

(d) EFFECTIVE DATE.—The amendments made by subsection (c)(1)(C) shall apply to scholarships granted under section 104 of the Indian Health Care Improvement Act after the date of the enactment of this Act.

(e) EXTERN PROGRAM.—Section 105 of the Act (25 U.S.C. 1614) is amended—

(1) in subsection (a), by striking "section 757 of the Public Health Service Act" and inserting "section 104"; and

(2) in subsection (b), by striking "school of medicine" and all that follows through "health professions" and inserting "course of study in the health professions, as defined in section 4(n)".

SEC. 103. BREACH OF CONTRACT PROVISIONS RELATING TO INDIAN HEALTH SCHOLARSHIPS.

Section 104(b) of the Act (25 U.S.C. 1613a(b)) (as amended by section 102(c) of this Act) is amended by adding at the end the following new paragraph:

"(5)(A) An individual who has, on or after the date of enactment of this paragraph, entered into a written contract with the Secretary under this section and who—

"(i) fails to maintain an acceptable level of academic standing in the educational institution in which he is enrolled (such level determined by the educational institution under regulations of the Secretary),

"(ii) is dismissed from such educational institution for disciplinary reasons,

"(iii) voluntarily terminates the training in such an educational institution for which he is provided a scholarship under such contract before the completion of such training, or

"(iv) fails to accept payment, or instructs the educational institution in which he is enrolled not to accept payment, in whole or in part, of a scholarship under such contract,

in lieu of any service obligation arising under such contract, shall be liable to the United States for the amount which has been paid to him, or on his behalf, under the contract.

"(B) If for any reason not specified in subparagraph (A), an individual breaches his written contract by failing either to begin such individual's service obligation under this section or to complete such service obligation, the United States shall be entitled to recover from the individual an amount determined in accordance with the formula specified in subsection (l) of section 108 in the manner provided for in such subsection.".

SEC. 104. NURSING.

(a) CONTINUING EDUCATION ALLOWANCES.—Section 106(a) of the Act (25 U.S.C. 1615(a)) is amended by inserting "nurses," after "dentists,".

(b) TRAINING FOR NURSE MIDWIVES, NURSE ANESTHETIST, AND NURSE PRACTITIONERS.—Section 112 of the Act (25 U.S.C. 1616e) is amended—

(1) in subsection (b)—

(A) at the end of paragraph (4), by striking "or";

(B) in paragraph (5), by striking the period at the end and inserting ", or"; and

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

"(6) establish and develop clinics operated by nurses, nurse midwives, nurse anesthetists, or nurse practitioners, in cooperation with accredited schools of nursing, to provide primary health care services to Indians."; and

(2) by striking subsection (f) and inserting the following:

"(f) Beginning with fiscal year 1992, of the amounts appropriated under the authority of this title for each fiscal year to be used to carry out this section, not less than $1,000,000 shall be used to provide grants under subsection (a) for the training of nurse midwives, nurse anesthetists, and nurse practitioners.".

(c) RETENTION BONUS FOR NURSES.—Section 117 (25 U.S.C. 1616j) of the Act is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively;

(2) by adding after subsection (a) the following new subsection (b):

"(b) Beginning with fiscal year 1992, not less than 25 percent of the retention bonuses awarded each year under subsection (a) shall be awarded to nurses."; and

(3) by amending subsection (f) (as amended by paragraph (1)) to read as follows:

"(f) The Secretary may pay a retention bonus to any physician or nurse employed by an organization providing health care services to Indians pursuant to a contract under the Indian Self-Determination Act if such physician or nurse is serving in a position which the Secretary determines is—

"(1) a position for which recruitment or retention is difficult; and

"(2) necessary for providing health care services to Indians.".

(d) RESIDENCY PROGRAM.—Title I of the Act is amended by adding at the end the following new section:

"NURSING RESIDENCY PROGRAM

"SEC. 118. (a) The Secretary, acting through the Service, shall establish a program to enable licensed practical nurses, licensed vocational nurses, and registered nurses who are working in an Indian health program (as defined in section 108(a)(2)), and have done so for a period of not less than one year, to pursue advanced training.

"(b) Such program shall include a combination of education and work study in an Indian health program (as defined in section 108(a)(2)) leading to an associate or bachelor's degree (in the case of a licensed practical nurse or licensed vocational nurse) or a bachelor's degree (in the case of a registered nurse).

"(c) An individual who participates in a program under subsection (a), where the educational costs are paid by the Service, shall incur an obligation to serve in an Indian health program for a period of obligated service equal to at least 3 times the period of time during which the individual participates in such program. In the event that the individual fails to complete such obligated service, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula specified in subsection (l) of section 108 in the manner provided for in such subsection.".

(e) GRANTS FOR THE PROVISION OF PRIMARY CARE SERVICES ON OR NEAR INDIAN COUNTRY.—Title I of the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) is amended by adding immediately after section 112 the following new section:

"NURSING SCHOOL CLINICS

"SEC. 112A. (a) GRANTS.—In addition to the authority of the Secretary under section 112(a)(1), the Secretary, acting through the Service, is authorized to provide grants to public or private schools of nursing for the purpose of establishing and developing clinics to address the health care needs of Indians, and to provide primary health care services to Indians who reside on or within 50 miles of Indian country, as defined in section 1151 of title 18, United States Code, or in medically underserved rural areas. A school of nursing receiving a grant pursuant to this section shall utilize the services of its students and faculty in operating such clinics.

"(b) PURPOSES.—Grants provided under subsection (a) of this section may be used to—

"(1) provide for all aspects of clinical training program development;

"(2) enhance the clinical faculty of any school receiving a grant pursuant to this section, by means such as increasing faculty salaries and recruiting new faculty; and

"(3) provide scholarships to students who participate in clinics established or developed pursuant to this section.

"(c) AMOUNT AND CONDITIONS.—The Secretary may award grants under this section in such amounts and subject to such conditions as the Secretary deems appropriate.

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section.

(f) PROVISION OF PRIMARY CARE SERVICES IN RURAL AREAS.—Part C of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart VII—Provision of Primary Care Services in Rural Areas

"SEC. 765. PROVISION OF PRIMARY CARE SERVICES IN RURAL AREAS.

"(a) AUTHORIZATION TO USE AMOUNTS.—The Secretary may use not to exceed $5,000,000, out of amounts appropriated to carry out programs under this part, in each of the fiscal years 1993 through 1995 to award grants to public or private schools of nursing for the establishment of clinics that shall be administered by such schools.

"(b) APPLICATION.—A school desiring to receive a grant under subsection (a) shall prepare and submit to the Secretary, an application at such time, in such form, and containing such information as the Secretary may require.

"(c) USE OF GRANTS.—Amounts received under grants awarded under subsection (a) shall be used to—

"(1) establish clinics, to be run and staffed by the faculty and students of such grantee school, to provide primary care services in medically underserved rural areas or in areas on or within 50 miles of Indian country (as defined in section 1151 of title 18, United States Code).

"(2) provide for all aspects of clinical training program development, faculty enhancement and student scholarships in a manner that would benefit the clinic established under paragraph (1); and

"(3) carry out any other activities determined appropriate by the Secretary.

"(d) DESIGN.—The clinics established under subsection (c)(1) shall be designed to provide nursing students with a structured clinical experience that is similar in nature to that provided by residency training programs for physicians.".

SEC. 105. MAINTENANCE OF COMMUNITY HEALTH REPRESENTATIVE PROGRAM.

Section 107(b) of the Act (25 U.S.C. 1616(b)) is amended—

(1) in paragraph (2), by inserting "and maintain" after "develop";

(2) in paragraph (2)(B), by adding at the end the following: "with appropriate consideration given to lifestyle factors that have an impact on Indian health status, such as alcoholism, family dysfunction, and poverty,";

(3) in paragraphs (3) and (5), by striking "develop" each place it appears and inserting "maintain"; and

(4) in paragraph (4), by striking "develop and".

SEC. 106. CHANGES TO INDIAN HEALTH SERVICE LOAN REPAYMENT PROGRAM.

(a) ELIGIBILITY REQUIREMENTS.—Section 108 of the Act (25 U.S.C. 1616a(b)) is amended—

(1) in subsection (a)(1), by striking "physicians," and all that follows through "professionals" and inserting "health professionals, as defined in section 4(o)"; and

(2) in subsection (b)—

(A) in paragraph (1)(A)—

(i) by striking clause (i) and inserting the following:

"(i) in a course of study or program in an accredited institution, as determined by the Secretary, within any State and be scheduled to complete such course of study in the same year such individual applies to participate in such program; or"; and

(ii) in clause (ii), by striking "medicine" and all that follows through "health profession", and inserting "a health profession, as defined in section 4(n)";

(B) in paragraph (1)(B)—

(i) in clause (i)—

(I) by inserting "and" at the end; and

(II) by striking "medicine, osteopathy, dentistry, or other health profession" and inserting "a health profession, as defined in section 4(n),";

(ii) by striking clause (ii);

(iii) by redesignating clause (iii) as clause (ii); and

(iv) in clause (ii) (as redesignated by clause (iii) of this subparagraph), by striking "medicine, osteopathy, dentistry, or other health profession" and inserting "a health profession, as defined in section 4(n),"; and

(C) in paragraph (2)—

(i) by inserting "and" at the end of subparagraph (D);

(ii) by striking paragraphs (3) and (4); and

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

"(3) submit to the Secretary an application for a contract described in subsection (f).".

(b) PRIORITY.—Section 108(d) of the Act (25 U.S.C. 1616a(d)) is amended—

(1) in paragraph (1), by striking out "The" and inserting "Consistent with paragraph (3), the"; and

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

"(3)(A) Subject to subparagraph (B), beginning with fiscal year 1992, of the total amounts appropriated for each fiscal year for loan repayment contracts under this section, the Secretary shall provide that—

"(i) not less than 25 percent be provided to applicants who are nurses, nurse practitioners, or nurse midwives; and

"(ii) not less than 10 percent be provided to applicants who are mental health professionals (other than applicants described in clause (i)).

"(B) The requirements specified in clause (i) or clause (ii) of subparagraph (A) shall not apply if the Secretary does not receive the number of applications from the individuals described in clause (i) or clause (ii), respectively, necessary to meet such requirements.".

(c) BECOMING A PARTICIPANT.—Paragraph (1) of section 108(e) (25 U.S.C. 1616a(e)) is amended to read as follows:

"(1) An individual becomes a participant in the Loan Repayment Program only upon the Secretary and the individual entering into a written contract described in subsection (f).".

(d) EXTENSION OF OBLIGATED SERVICE.—Paragraph (2)(A) of section 108(e) (25 U.S.C. 1616a(e)) is amended by inserting before the semicolon the following: ", including extensions resulting in an aggregate period of obligated service in excess of 4 years".

(e) CLARIFICATION REGARDING UNDERGRADUATE LOANS.—Paragraph (1) of section 108(g) (25 U.S.C. 1616a(g)) is amended by striking "loans received by the individual for—" and inserting "loans received by the individual regarding the undergraduate or graduate education of the individual (or both), which loans were made for—".

(f) PAYMENT.—Subparagraph (A) of section 108(g)(2) (25 U.S.C. 1616a(g)(2)) is amended to read as follows:

"(A) For each year of obligated service that an individual contracts to serve under subsection (f), the Secretary may pay up to $35,000 on behalf of the individual for loans described in paragraph (1). The Secretary may increase this amount to be consistent with the National Health Service Corps Loan Repayment Program. In making a determination of the amount to pay for a year of such service by an individual, the Secretary shall consider the extent to which each such determination—

"(i) affects the ability of the Secretary to maximize the number of contracts that can be provided under the Loan Repayment Program from the amounts appropriated for such contracts;

"(ii) provides an incentive to serve in Indian health programs with the greatest health manpower shortages; and

"(iii) provides an incentive with respect to the health professional involved remaining in an Indian health program with such manpower shortage, and continuing to provide primary health services, after the completion of the period of obligated service under the Loan Repayment Program.".

(g) TAX LIABILITY.—

(1) IN GENERAL.—Paragraph (3) of section 108(g) (25 U.S.C. 1616a(g)) is amended to read as follows:

"(3) For the purpose of providing reimbursements for tax liability resulting from payments under paragraph (2) on behalf of an individual, the Secretary—

"(A) in addition to such payments, shall make payments to the individual in an amount equal to 39 percent of the total amount of loan repayments made for the taxable year involved; and

"(B) may make such additional payments as the Secretary determines to be appropriate with respect to such purpose.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply only with respect to contracts under section 108 of the Indian Health Care Improvement Act entered into on or after the date of enactment of this Act.

(h) ANNUAL REPORT.—Subsection (n) of section 108 is amended to read as follows:

"(n) The Secretary shall submit to the President, for inclusion in each report required to be submitted to the Congress under section 801, a report concerning the previous fiscal year which sets forth—

"(1) the health professional positions maintained by the Service or by tribal or Indian organizations for which recruitment or retention is difficult;

"(2) the number of Loan Repayment Program applications filed with respect to each type of health profession;

"(3) the number of contracts described in subsection (f) that are entered into with respect to each health profession;

"(4) the amount of loan payments made under this section, in total and by health profession;

"(5) the number of scholarship grants that are provided under section 104 with respect to each health profession;

"(6) the amount of scholarship grants provided under section 104, in total and by health profession;

"(7) the number of providers of health care that will be needed by Indian health programs, by location and profession, during the three fiscal years beginning after the date the report is filed; and

"(8) the measures the Secretary plans to take to fill the health professional positions maintained by the Service or by tribes or tribal or Indian organizations for which recruitment or retention is difficult.".

SEC. 107. RECRUITMENT ACTIVITIES.

Section 109 of the Act (25 U.S.C. 1616b) is amended—

(1) by striking the heading and inserting the following:

"RECRUITMENT ACTIVITIES";

and

(2) by amending subsection (b) to read as follows:

"(b) The Secretary, acting through the Service, shall assign one individual in each area office to be responsible on a full-time basis for recruitment activities.".

SEC. 108. ADVANCED TRAINING AND RESEARCH.

Section 111 of the Act (25 U.S.C. 1616d) is amended—

(1) in subsection (b), by striking the last sentence and inserting the following: "In such event, with respect to individuals entering the program after the date of the enactment of the Indian Health Care Amendments Act of 1992, the United States shall be entitled to recover from such individual an amount to be determined in accordance with the formula specified in subsection (l) of section 108 in the manner provided for in such subsection."; and

(2) by striking subsection (d).

SEC. 109. TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL INSTITUTIONS.

(a) NURSING PROGRAM GRANTS.—Section 112(a)(2) of the Act (25 U.S.C. 1616e(a)(2)) is amended by inserting before the comma the

following: "and tribally controlled postsecondary vocational institutions, as defined in section 390(2) of the Tribally Controlled Vocational Institutions Support Act of 1990 (20 U.S.C. 2397h(2))".

(b) TRIBAL CULTURE AND HISTORY PROGRAMS.—Section 113(b)(1) of the Act (25 U.S.C. 1616f(b)(1)) is amended by inserting before the comma "and tribally controlled postsecondary vocational institutions, as defined in section 390(2) of the Tribally Controlled Vocational Institutions Support Act of 1990 (20 U.S.C. 2397h(2))".

SEC. 110. INMED PROGRAM.

Section 114(b) of the Act (25 U.S.C. 1616g(b)) is amended—

(1) by inserting "(1)" immediately after "(b)"; and

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

"(2) The Secretary shall provide one of the grants authorized under subsection (a) to a college or university to establish and maintain a program similar to the INMED program for the nursing profession, including postdoctoral nursing.

"(3) The Secretary shall provide one of the grants authorized under subsection (a) to a college or university to establish and maintain a program similar to the INMED program for the mental health profession.".

SEC. 110A. QUENTIN N. BURDICK INDIAN HEALTH PROGRAM.

(a) ESTABLISHMENT.—Title I of the Act is amended by adding after section 114 the following new section:

"QUENTIN N. BURDICK INDIAN HEALTH PROGRAM

"SEC. 114A. (a) The Secretary, acting through the Service, is authorized to establish, in consultation with appropriate officials at the University of North Dakota, the Quentin N. Burdick Indian Health Program at the University of North Dakota. The purpose of such program shall be to coordinate the Indian health training programs available at the University of North Dakota to better promote the health of Indian people.

"(b) The Secretary may give preference, in accordance with sections 112(d)(5), 114(b)(4), and 209(h)(3), to applications for grants or contracts submitted by the University of North Dakota through the Quentin N. Burdick Indian Health Program.".

(b) CONFORMING AMENDMENTS.—

(1) NURSING PROGRAMS.—Section 112(d) of the Act (25 U.S.C. 1616e(d)) is amended—

(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting "; and"; and

(C) by inserting after paragraph (4) the following:

"(5) programs that are conducted through the Quentin N. Burdick Indian Health Program at the University of North Dakota.".

(2) INMED PROGRAMS.—Section 114(b) of the Act (25 U.S.C. 1616g(b)), as amended by section 110 of this Act, is further amended by adding at the end the following:

"(4) The Secretary shall give preference in providing grants under paragraphs (2) and (3) to applications submitted by the University of North Dakota through the Quentin N. Burdick Indian Health Program.".

(3) MENTAL HEALTH PROGRAMS.—Section 209(h) of the Act (as redesignated by section 902(3)(B) of this Act), is amended by adding at the end the following:

"(2) The Secretary shall give preference in entering into contracts or making grants under this subsection to appropriate programs conducted through the Quentin N. Burdick Indian Health Program at the University of North Dakota.".

SEC. 111. SCHOLARSHIP AND LOAN REPAYMENT RECOVERY.

Title I of the Act is amended by inserting after section 108 the following new section:

"SCHOLARSHIP AND LOAN REPAYMENT RECOVERY

"SEC. 108A. (a) There is established in the Treasury of the United States a fund to be known as the Indian Health Scholarship and Loan Repayment Recovery Fund (hereafter in this section referred to as the 'Fund'). The Fund shall consist of such amounts as may be appropriated to the Fund under subsection (b). Amounts appropriated for the Fund shall remain available until expended.

"(b) For each fiscal year, there is authorized to be appropriated to the Fund an amount equal to the sum of—

"(1) the amount collected during the preceding fiscal year by the Federal Government pursuant to—

"(A) the liability of individuals under subparagraph (A) or (B) of section 104(b)(5) for the breach of contracts entered into under section 104; and

"(B) the liability of individuals under section 108(1) for the breach of contracts entered into under section 108; and

"(2) the aggregate amount of interest accruing during the preceding fiscal year on obligations held in the Fund pursuant to subsection (d) and the amount of proceeds from the sale or redemption of such obligations during such fiscal year.

"(c)(1) Amounts in the Fund and available pursuant to appropriation Acts may be expended by the Secretary, acting through the Service—

"(A) to make scholarship grants under section 104; and

"(B) to provide loans under section 108.

"(d)(1) The Secretary of the Treasury shall invest such amounts of the Fund as such Secretary determines are not required to meet current withdrawals from the Fund. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired on original issue at the issue price, or by purchase of outstanding obligations at the market price.

"(2) Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

"(e) The Secretary, acting through the Service, shall give priority to assigning an individual (for the purpose of such individual's obligated service requirements under section 104 or section 108) to an Indian health program (as defined in section 108(a)(2)) that has a need for a health professional to provide health care services as a result of an individual having breached a contract entered into under section 104 or section 108.".

SEC. 112. MATCHING GRANTS TO TRIBES.

Title I of the Act (as amended by this Act) is amended by adding at the end the following new section:

"MATCHING GRANTS TO TRIBES FOR SCHOLARSHIP PROGRAMS

"SEC. 119. (a)(1) The Secretary shall make grants to Indian tribes and tribal organizations for the purpose of assisting such tribes and tribal organizations in educating Indians to serve as health professionals in Indian communities.

"(2) An application for a grant under paragraph (1) shall be in such form and contain such agreements, assurances, and information as the Secretary determines are necessary to carry out this section.

"(b)(1) An Indian tribe or tribal organization receiving a grant under subsection (a) shall agree to provide scholarships to Indians pursuing education in the health professions in accordance with the requirements of this section.

"(2) With respect to the costs of providing any scholarship pursuant to paragraph (1)—

"(A) 20 percent of the costs of the scholarship shall be paid from the grant made under subsection (a) to the Indian tribe or tribal organization; and

"(B) 80 percent of such costs shall be paid from non-Federal contributions by the Indian tribe or tribal organization through which the scholarship is provided.

"(3) In determining the amount of non-Federal contributions that have been provided for purposes of subparagraph (B) of paragraph (2), any amounts provided by the Federal Government to the Indian tribe or tribal organization involved or to any other entity shall not be included.

"(4) Non-Federal contributions required by subparagraph (B) of paragraph (1) may be provided directly by the Indian tribe or tribal organization involved or through donations from public and private entities.

"(c) An Indian tribe or tribal organization shall provide scholarships under subsection (b) only to Indians enrolled or accepted for enrollment in a course of study (approved by the Secretary) in the health professions, as defined in section 4(n).

"(d) In providing scholarships under subsection (b), the Indian tribe or tribal organization shall enter into a contract with each recipient of such scholarship. Such contract shall—

"(1) require such recipient to provide service in an Indian health program (as defined in section 108(a)(2)(A)), in the same service area where the Indian tribe or tribal organization providing the scholarship is located, for—

"(A) a number of years equal to the number of years for which the scholarship is provided (or the part-time equivalent thereof, as determined by the Secretary), or for a period of 2 years, whichever period is greater; or

"(B) such greater period of time as the recipient and the Indian tribe or tribal organization may agree;

"(2) provide that the amount of such scholarship—

"(A) may be expended only for—

"(i) tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred in attendance at the school; and

"(ii) payment to the recipient of a monthly stipend of not more than the amount authorized by section 338A(g)(1)(B) of the Public Health Service Act (42 U.S.C. 254m(g)(1)(B)), such amount to be reduced pro rata (as determined by the Secretary) based on the number of hours such student is enrolled; and

"(B) may not exceed, for any year of attendance for which the scholarship is provided, the total amount required for the year for the purposes authorized in subparagraph (A);

"(3) require the recipient of such scholarship to maintain an acceptable level of academic standing (as determined by the school in accordance with regulations issued by the Secretary); and

"(4) require the recipient of such scholarship to meet the educational and licensure requirements necessary to be a physician, certified nurse practitioner, certified nurse midwife, or physician assistant.

"(e) The recipient of a scholarship under subsection (b) shall agree, in providing health care pursuant to the requirements of subsection (d)(1)—

"(1) not to discriminate against an individual seeking such care on the basis of the ability of the individual to pay for such care or on the basis that payment for such care will be made pursuant to the program established in title XVIII of the Social Security Act or pursuant to the program established in title XIX of such Act; and

"(2) to accept assignment under section 1842(b)(3)(B)(ii) of the Social Security Act for all services for which payment may be made under part B of title XVIII of such Act, and to enter into an appropriate agreement with the State agency that administers the State plan for medical assistance under title XIX of such Act to provide service to individuals entitled to medical assistance under the plan.

"(f)(1) Before making a grant under subsection (a) to an Indian tribe or tribal organization for a fiscal year, the Secretary shall determine the number of scholarship contracts provided under subsection (b) with respect to which there has been an initial breach by the scholarship recipient involved during the fiscal year preceding the fiscal year for which the Indian tribe or tribal organization is applying to receive the grant.

"(2) In the case of an Indian tribe or tribal organization with 1 or more initial breaches for purposes of paragraph (1), the Secretary shall reduce the amount of a grant under subsection (a) to the Indian tribe or tribal organization for the fiscal year involved by an amount equal to the sum of—

"(A) an amount equal to the expenditures of Federal funds made regarding the contracts involved; and

"(B) an amount representing interest on the amount of such expenditures, determined with respect to each contract on the basis of the maximum legal rate prevailing for loans made during the time amounts were paid under the contract, as determined by the Secretary of the Treasury.

"(3) If an Indian tribe or tribal organization is not receiving a grant under subsection (a) for a fiscal year for which a reduction under paragraph (2) would have been made in the event that the tribe or tribal organization had received such a grant, the Secretary shall reduce the amount of payments due to the tribe or tribal organization under other grants, cooperative agreements, or contracts under this Act by the amount specified in such paragraph.

"(4) The Secretary may carry out this subsection on the basis of information submitted by the tribes or tribal organizations involved, or on the basis of information collected through such other means as the Secretary determines to be appropriate.

"(g) The Secretary may not make any payments under subsection (a) to an Indian tribe or tribal organization for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the Indian tribe or tribal organization has complied with requirements of this section.".

SEC. 113. COMMUNITY HEALTH AID PROGRAM.

Title I of the Act (as amended by this Act) is amended by adding at the end the following new section:

"COMMUNITY HEALTH AIDE PROGRAM FOR ALASKA

"SEC. 120. (a) Under the authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary shall maintain a Community Health Aide Program in Alaska under which the Service—

"(1) provides for the training of Alaska Natives as health aides or community health practitioners;

"(2) uses such aides or community health practitioners in the provision of health care, health promotion, and disease prevention services to Alaska Natives living in villages in rural Alaska; and

"(3) provides for the establishment of teleconferencing capacity in health clinics located in or near such villages for use by community health aides and community health practitioners.

"(b) The Secretary, acting through the Community Health Aide Program of the Service, shall—

"(1) using trainers accredited by the Program, provide a high standard of training to community health aides and community health practitioners to ensure that such aides and practitioners provide quality health care, health promotion, and disease prevention services to the villages served by the Program;

"(2) in order to provide such training, develop a curriculum that—

"(A) combines education in the theory of health care with supervised practical experience in the provision of health care;

"(B) provides instruction and practical experience in the provision of acute care, emergency care, health promotion, disease prevention, and the efficient and effective management of clinic pharmacies, supplies, equipment, and facilities; and

"(C) promotes the achievement of the health status objectives specified in section 3(a);

"(3) establish and maintain a Community Health Aide Certification Board to certify as community health aides individuals who have successfully completed the training described in paragraph (1) or can demonstrate equivalent experience;

"(4) develop and maintain a system which identifies the needs of community health aides and community health practitioners for continuing education in the provision of health care, including the areas described in paragraph (2)(B), and develop programs that meet the needs for such continuing education;

"(5) develop and maintain a system that provides close supervision of community health aides and community health practitioners; and

"(6) develop a system under which the work of community health aides is reviewed and evaluated to assure the provision of quality health care, health promotion, and disease prevention services.".

SEC. 114. TRIBAL HEALTH PROGRAM ADMINISTRATION.

Title I of the Act (as amended by this Act) is amended by adding at the end the following new section:

"TRIBAL HEALTH PROGRAM ADMINISTRATION

"SEC. 121. The Secretary shall, by contract or otherwise, provide training for individuals in the administration and planning of tribal health programs.".

SEC. 115. PLACEMENT OF PARTICIPANTS IN SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS.

Title I of the Act (as amended by this Act) is amended by adding at the end the following new section:

"PLACEMENT OF PARTICIPANTS IN SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS

"SEC. 122. In placing an individual for the purpose of fulfilling the individual's obligated service requirement under sections 104 or 108, the Secretary shall, to the extent consistent with the provisions of this Act and title III of the Public Health Service Act, consider the individual's ties to any Indian tribe.".

SEC. 116. INTERDISCIPLINARY TRAINING GRANTS.

Title I of the Act (as amended by this Act) is amended by adding at the end the following new section:

"INTERDISCIPLINARY TRAINING GRANTS

"SEC. 123. (a) The Secretary, acting through the Service, shall provide grants to—

"(1) public or private colleges or universities;

"(2) tribally controlled community colleges; and

"(3) schools or programs in optometry, pharmacy, psychology, public health, or social work,

for the interdisciplinary training of health professionals for the purpose of increasing the number of these health professionals who deliver health care services to Indians.

"(b) The Secretary shall give priority in providing grants under this section to applications submitted jointly by 2 or more institutions.

"(c) Grants provided under this section may be used—

"(1) to recruit health professionals for programs that train individuals in one or more of the health professionals described in subsection (a);

"(2) to provide scholarships to individuals enrolled in such programs to pay tuition for such program and other expenses incurred in connection with such program, including books, fees, room and board, and other living expenses;

"(3) to establish or maintain a program that encourages these health professionals to provide, or continue to provide, health care services to Indians; and

"(4) to establish or maintain a program that increases the skills of, and provides continuing education to, these health care professionals, including faculty enhancement activities.

"(d) Of the amount appropriated to carry out this section, not more than $1,000,000 may be used annually to establish postdoctoral training programs in psychology or pharmacy.

"(e) Each applicant for a grant under this section shall include such information as the Secretary may require, including a demonstration of the connection between the applicant and a health care facility that primarily serves Indians.

"(f) The active duty service obligation prescribed under section 338C of the Public Health Service Act (42 U.S.C. 254m) shall be met by each individual who receives training or assistance funded by a grant under this section. Such obligation shall be met by service—

"(1) in the Indian Health Service;

"(2) in a program conducted under a contract entered into under the Indian Self-Determination Act; or

"(3) in a program assisted under title V of this Act.".

SEC. 117. MANPOWER SHORTAGES.

Title I of the Act (as amended by this Act) is amended by adding at the end the following new section:

"MANPOWER SHORTAGES

"SEC. 124. (a) IN GENERAL.—The Secretary is authorized to provide grants to any college, university, or consortium thereof, that is located in any of the 3 Service areas that the Secretary determines to have the most acute health manpower shortages.

"(b) PURPOSE.—A grant under this section shall be used for the purpose of training health professionals, including in the field of mental health, and using the training resources of grant recipients, including students and faculty, to provide services through Indian health facilities, to serve in those Service areas that the Secretary determines to have the greatest difficulty in recruiting and retaining such health professionals.

"(c) AGREEMENTS.—A grant recipient under this section shall enter into a formal agreement with the appropriate tribal government or governments, or tribal organization, or organizations, of those Service areas in which training under this section is taking place.

"(d) PROCEDURES.—The Secretary shall establish procedures for the submission and review of applications for grants under this section.

"(e) PREFERENCE.—The Secretary shall give preference in making grants under this section to those applicants that—

"(1) most comprehensively address area health manpower shortages;

"(2) coordinate their programs with other relevant programs in this title; and

"(3) have entered into agreements with Indian health facilities, whether operated by the Service or by Indian tribes under the Indian Self-Determination and Education Assistance Act.".

SEC. 118. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Title I of the Act (as amended by section 112 of this Act) is amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 125. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title, and to carry out the Native Hawaiian Health Scholarships program under section 338K of the Public Health Service Act (42 U.S.C. 254s).".

(b) CONFORMING AMENDMENTS.—Title I of the Act is amended—

(1) in section 102, by striking subsection (c);

(2) in section 105, by striking subsection (d);

(3) in section 106 (as amended by section 104(a) of this Act)—

(A) by striking "(a)"; and

(B) by striking subsection (b);

(4) in section 108, by striking subsection (o);

(5) in section 110, by striking subsection (c);

(6) in section 113, by striking subsection (c);

(7) in section 114, by striking subsection (e);

(8) in section 115, by striking subsection (f);

(9) in section 116, by striking subsection (e);

(10) in section 117 (as amended by section 104(c)(1) of this Act), by striking subsection (f).

TITLE II—HEALTH SERVICES

SEC. 201. HEALTH STATUS AND RESOURCE DEFICIENCY STATUS.

(a) IN GENERAL.—Section 201 of the Act (25 U.S.C. 1621) is amended—

(1) in subsection (a)—

(A) by striking "subsection (h)" and inserting "this section";

(B) by striking paragraph (1) and inserting the following:

"(1) eliminating the deficiencies in health status and resources of all Indian tribes,"; and

(C) in paragraph (4)—

(i) by inserting after "responsibilities" the following: ", either directly or through contract care,"; and

(ii) by striking "resources deficiency" and inserting "status and resource deficiencies";

(2) in subsection (b)—

(A) in paragraph (1), by striking "subsection (h)" and inserting "this section";

(B) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2);

(C) in paragraph (2)(A) (as redesignated by subparagraph (B) above)—

(i) by striking "subsection (h)" and inserting "this section";

(ii) in the first sentence, by striking "but such allocation" through "met"; and

(iii) in the second sentence—

(I) by striking "(in accordance with paragraph (2))"; and

(II) by striking "raise the deficiency level" and inserting "reduce the health status and resource deficiency";

(D) in paragraph (2)(B) (as redesignated by subparagraph (B) above), by inserting after "with" the following: ", and with the active participation of,".

(3) in subsection (c)—

(A) by striking paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively;

(B) by striking paragraph (1) (as redesignated by subparagraph (A) above) and inserting the following:

"(1) The term 'health status and resource deficiency' means the extent to which—

"(A) the health objectives set forth in section 3(a) are not being achieved, taking into account the actual cost of providing health care services given local geographic, climatic, rural or other circumstances; and

"(B) the Indian tribe does not have available to it the health resources it needs.";

(C) by striking paragraph (2) (as redesignated by subparagraph (A) above), and inserting the following:

"(2) The health resources available to an Indian tribe are limited to local health resources provided by the Service, and health resources used by the Indian tribe, including services and financing systems provided by any other Federal programs, provided that in determining available resources the Service shall also take into account actual availability of local alternative sources of health care.

(D) in paragraph (3) (as redesignated by subparagraph (A) above)—

(i) by striking "Under regulations, the" and inserting "The"; and

(ii) by striking "health resources deficiency level" and inserting "extent of the health status and resource deficiency";

(4) in subsection (d)(1), by striking "subsection (h)" and inserting "this section";

(5) in subsection (e)—

(A) in the material preceding paragraph (1)—

(i) by striking "60 days" and inserting "3 years";

(ii) by striking "Indian Health Care Amendments of 1988" and inserting in lieu thereof "Indian Health Care Amendments Act of 1992"; and

(iii) by striking "health services priority system" and inserting "health status and resource deficiency";

(B) in paragraph (1), by striking "health resources deficiencies" and inserting "health status and resource deficiencies";

(C) in paragraph (2), by striking "the level of health resources deficiency for" and inserting "the extent of the health status and resource deficiency of";

(D) in paragraph (3), by striking "raise all" and all that follows through the semicolon and insert "eliminate the health status and resource deficiencies of all Indian tribes served by the Service"; and

(E) by striking paragraphs (4) and (5) and redesignating paragraph (6) as paragraph (4); and

(6) in subsection (f), by striking "(f)(1)" and all that follows through the paragraph designation for paragraph (2) and inserting "(f)".

(b) EFFECTIVE DATE.—Except with respect to the amendments made by subsection (a)(5), the amendments made by subsection (a) shall take effect three years after the date of the enactment of this Act. The amendments made by subsection (a)(5) shall take effect upon the date of the enactment of this Act.

SEC. 202. CATASTROPHIC HEALTH EMERGENCY FUND.

Section 202 of the Act (25 U.S.C. 1621a) is amended—

(1) in subsection (a)(1)(B), by striking "under subsection (e)" and inserting "to the Fund under this section";

(2) in subsection (b)(2), by striking "not less than $10,000 or not more than $20,000;" and inserting "not less than—

"(A) $15,000 for 1992; and

"(B) for any subsequent year, the threshold cost of the previous year increased by the percentage increase in the medical care expenditure category of the consumer price index for all urban consumers (United States city average) for the 12-month period ending with December of the previous year;"; and

(3) in subsection (c), by striking "Funds appropriated under subsection (e)" and inserting "Amounts appropriated to the Fund under this section".

SEC. 203. HEALTH PROMOTION AND DISEASE PREVENTION.

Section 203 of the Act (25 U.S.C. 1621b) is amended—

(1) in subsection (a), by inserting before the period at the end the following: "so as to achieve the health objectives set forth in section 3(a)";

(2) in subsection (b), by striking "section 201(f)" and inserting "section 801"; and

(3) by striking subsection (c).

SEC. 204. DIABETES PREVENTION, TREATMENT, AND CONTROL.

Section 204 of the Act (25 U.S.C. 1621c) is amended—

(1) by striking subsection (c) and inserting the following:

"(c)(1) The Secretary shall continue to maintain through fiscal year 2000 each model diabetes project in existence on the date of enactment of the Indian Health Care Amendments Act of 1992 and located—

"(A) at the Claremore Indian Hospital in Oklahoma;

"(B) at the Fort Totten Health Center in North Dakota;

"(C) at the Sacaton Indian Hospital in Arizona;

"(D) at the Winnebago Indian Hospital in Nebraska;

"(E) at the Albuquerque Indian Hospital in New Mexico;

"(F) at the Perry, Princeton, and Old Town Health Centers in Maine;

"(G) at the Bellingham Health Center in Washington;

"(H) at the Fort Berthold Reservation;

"(I) at the Navajo Reservation;

"(J) at the Tohono O'Odham Reservation;

"(K) at the Zuni Reservation; or

"(L) in the States of Alaska, California, Minnesota, Montana, Oregon, or Utah.

"(2) The Secretary may establish new model diabetes projects under this section, except that the Secretary may not establish a greater number of such projects in one service area than in any other service area until there is an equal number of such projects established with respect to all service areas."; and

(2) in subsection (d)—

(A) in paragraph (2), by striking "and";

(B) in paragraph (3), by striking the period and inserting "; and"; and

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

"(4) evaluate the effectiveness of services provided through model diabetes projects established under this section.".

SEC. 205. MENTAL HEALTH PREVENTION AND TREATMENT SERVICES.

Section 209 of the Act (25 U.S.C. 1621h) is amended—

(1) in subsection (j) (as redesignated by section 902(3)(B) of this Act), by striking "submit to the Congress an annual report" and inserting "submit to the President, for inclusion in each report required to be transmitted to the Congress under section 801, a report"; and

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

"(l) LICENSING REQUIREMENT FOR MENTAL HEALTH CARE WORKERS.—Any person employed as a psychologist, social worker, or marriage and family therapist for the purpose of providing mental health care services to Indians in a clinical setting under the authority of this Act or through a contract pursuant to the Indian Self-Determination Act shall, within 1 year from the date of employment—

"(1) in the case of a person employed as a psychologist, be licensed as a psychologist or working under the direct supervision of a licensed psychologist;

"(2) in the case of a person employed as a social worker, be licensed as a social worker or working under the direct supervision of a licensed social worker; or

"(3) in the case of a person employed as a marriage and family therapist, be licensed as a marriage and family therapist or working under the direct supervision of a licensed marriage and family therapist.

"(m) INTERMEDIATE ADOLESCENT MENTAL HEALTH SERVICES.—(1) The Secretary, acting through the Service, may make grants to Indian tribes and tribal organizations to provide intermediate mental health services to Indian children and adolescents, including—

"(A) inpatient and outpatient services;

"(B) emergency care;

"(C) suicide prevention and crisis intervention; and

"(D) prevention and treatment of mental illness, and dysfunctional and self-destructive behavior, including child abuse and family violence.

"(2) Funds provided under this section may be used—

"(A) to construct or renovate an existing health facility to provide intermediate mental health services;

"(B) to hire mental health professionals;

"(C) to staff, operate, and maintain an intermediate mental health facility, group home, or youth shelter where intermediate mental health services are being provided; and

"(D) to make renovations and hire appropriate staff to convert existing hospital beds into adolescent psychiatric units.

"(3) An Indian tribe or tribal organization receiving a grant under this section shall ensure that intermediate adolescent mental health services are coordinated with other tribal, service, and Bureau of Indian Affairs mental health, alcohol and substance abuse, and social services programs on the reservation of such tribe or tribal organization.

"(4) The Secretary shall establish criteria for the review and approval of applications for grants made pursuant to this section.

"(n)(1) The Secretary is authorized to provide grants to at least 3 colleges and universities for the purpose of developing and maintaining American Indian psychology careers recruitment programs as a means of encouraging American Indians to enter the mental health field.

"(2) The Secretary shall provide one of the grants authorized under paragraph (1) to develop and maintain an American Indians Into Psychology program at the University of North Dakota.

"(3)(A) The Secretary shall issue regulations for the competitive awarding of the grants provided under this subsection.

"(B) Applicants for grants under this subsection shall agree to provide a program which, at a minimum—

"(i) provides outreach and recruitment for health professions to Indian communities including elementary, secondary and community colleges located on Indian reservations that will be served by the program,

"(ii) incorporates a program advisory board comprised of representatives from the tribes and communities that will be served by the program,

"(iii) provides summer enrichment programs to expose Indian students to the varied fields of psychology through research and experiential activities,

"(iv) provides stipends to undergraduate and graduate students to pursue a career in psychology,

"(v) develops affiliation agreements with tribal community colleges, the Indian Health Service, university affiliated programs, and other appropriate entities to enhance the education of American Indian students,

"(vi) to the maximum extent feasible, utilizes existing university tutoring, counseling and student support services, and

"(vii) to the maximum extent feasible, employs qualified Indians in the program.

"(4) The American Indians Into Psychology program at the University of North Dakota shall, to the maximum extent feasible, coordinate with the INMED program authorized by section 114 of this Act, and existing university research and communications networks.".

SEC. 206. NEW STUDIES.

(a) HOSPICE CARE.—Section 205 of the Act is amended to read as follows:

"HOSPICE CARE FEASIBILITY STUDY

"SEC. 205. (a) The Secretary, acting through the Service and in consultation with representatives of Indian tribes, tribal organizations, Indian Health Service personnel, and hospice providers, shall conduct a study—

"(1) to assess the feasibility and desirability of furnishing hospice care to terminally ill Indians; and

"(2) to determine the most efficient and effective means of furnishing such care.

"(b) Such study shall—

"(1) assess the impact of Indian culture and beliefs concerning death and dying on the provision of hospice care to Indians;

"(2) estimate the number of Indians for whom hospice care may be appropriate and determine the geographic distribution of such individuals;

"(3) determine the most appropriate means to facilitate the participation of Indian tribes and tribal organizations in providing hospice care;

"(4) identify and evaluate various means for providing hospice care, including—

"(A) the provision of such care by the personnel of a Service hospital pursuant to a hospice program established by the Secretary at such hospital; and

"(B) the provision of such care by a community-based hospice program under contract to the Service; and

"(5) identify and assess any difficulties in furnishing such care and the actions needed to resolve such difficulties.

"(c) Not later than the date which is 12 months after the date of the enactment of this section, the Secretary shall transmit to the Congress a report containing—

"(1) a detailed description of the study conducted pursuant to this section; and

"(2) a discussion of the findings and conclusions of such study.

"(d) For the purposes of this section—

"(1) the term 'terminally ill' means any Indian who has a medical prognosis (as certified by a physician) of a life expectancy of six months or less;

"(2) the term 'hospice care' means the care, items, and services as defined in section 1861(dd)(1) of the Social Security Act (42 U.S.C. 1395x(dd)(1)); and

"(3) the term 'hospice program' means any program which satisfies the requirements of section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395(dd)(2)).".

(b) MANAGED CARE.—Title II of the Act is amended by adding at the end the following new section:

"MANAGED CARE FEASIBILITY STUDY

"SEC. 210. (a) The Secretary, acting through the Service, shall conduct a study to assess the feasibility of allowing for an Indian tribe to purchase, directly or through the Service, managed care coverage for Indian tribes—

"(1) which desire to participate in group contract health plans or other managed care arrangements instead of operating an inpatient hospital or ambulatory facility; and

"(2) which offer the same plan to all eligible members of the community.

"(b) Not later than the date which is 12 months after the date of the enactment of this section, the Secretary shall transmit to the Congress a report containing—

"(1) a detailed description of the study conducted pursuant to this section; and

"(2) a discussion of the findings and conclusions of such study.".

SEC. 207. RIGHT OF RECOVERY.

Section 206 of the Act (25 U.S.C. 1621e) is amended—

(1) by inserting ", a tribe, or a tribal organization," immediately after "United States" each place it appears;

(2) in subsection (a), by inserting ", a tribe, or a tribal organization," immediately after "Service";

(3) in subsection (e)(1)(A), by inserting ", a tribe, or a tribal organization," immediately after "Secretary";

(4) by striking "(a) The" and inserting the following: "(a) Except as provided in subsection (f), the";

(5) in subsection (b), by striking "; or any political subdivision of a State,"; and

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

"(f) The United States shall not have a right of recovery under this section if the injury, illness, or disability for which health services were provided is covered under a self-insurance plan funded by an Indian tribe or tribal organization.".

SEC. 208. EPIDEMIOLOGY GRANT PROGRAM.

Title II of the Act is amended by adding at the end the following new section:

"EPIDEMIOLOGY GRANT PROGRAM

"SEC. 211. (a) The Secretary shall provide grants to eligible recipients for the purpose of establishing area epidemiology centers to conduct the activities set forth in this section.

"(b) In consultation with the Indian Health Service, Indian tribes and urban Indian communities, an area epidemiology center established under this section shall—

"(1) establish a methodology to define baseline data for the health objectives specified in section 3;

"(2) determine the most effective way to establish and maintain a surveillance system for health objectives;

"(3) identify such health objectives that are the highest priority for monitoring, surveillance and attention, based on an initial assessment of the epidemiology of the area and each of the communities served;

"(4) evaluate existing delivery systems, data systems, and other systems that impact on the improvement of Indian health and the resources available to deliver, monitor or evaluate those services;

"(5) develop methods to obtain data on Indian health from the Indian Health Service, State Medicaid systems, Federal Medicare and Veterans Affairs systems, and private insurance systems; and

"(6) assist tribes and urban Indian communities in the identification of priority service areas, based on epidemiological data, and advocate for the targeting of services needed by tribal, urban and other Indian communities and make recommendations to improve health care delivery systems.

"(c) The following entities are eligible to receive grants to establish and develop an area epidemiology center under this section:

"(1)(A) The Secretary may provide grants to area Indian health boards, as defined in subparagraph (B), for the establishment and development of area epidemiology centers.

"(B) For the purposes of this section, the term 'area Indian health board' means an organization that—

"(i) provides information to and consults with tribal leaders, urban Indian community leaders, and related health staff, on health care and health services management issues; and

"(ii) provides, in collaboration with tribes and urban Indian communities, the Indian Health Service with information on ways to improve the health status of Indian people.

"(2) The Secretary may provide grants to intertribal consortia or Indian organizations that—

"(A) are incorporated for the primary purpose of improving Indian health; and

"(B) are representative of the tribes and urban Indian communities in which they are located.

"(3) The Secretary may provide grants directly to an Indian tribe for the purpose of establishing and developing an area epidemiology center.

"(d) The Secretary may provide grants to the entities described in subsection (c) that submit an application in such manner and at such time as the Secretary shall prescribe and that meet the following minimum criteria:

"(1) Applicants for grants shall ensure that the area epidemiology center will be established and operated for the primary purpose of addressing Indian health issues and will consult with the tribes or urban Indian communities that will be served by the area epidemiology center.

"(2) Applicants shall demonstrate the technical, administrative, and financial expertise necessary to conduct the eligible activities described in subsection (b).

"(3) Applicants shall ensure that the area epidemiology center will consult and cooperate with providers of related health and social services in order to avoid duplication of existing services, and demonstrate cooperation from the tribes or urban Indian organizations in the area.

"(e) The Secretary shall provide at least 1 grant to an eligible recipient, as prescribed in subsection (c), located in each Indian Health Service area.

"(f) The Secretary may provide a grant in such an amount as the Secretary determines appropriate to carry out the purposes of this section, but such amount shall not be less than $250,000 a year for each area epidemiology center.

"(g)(1) The Indian Health Service shall assign 1 epidemiologist from each of its area offices to each area epidemiology center to provide such center with technical assistance to carry out this section.

"(2) The Director of the Centers for Disease Control and the Director of the National Center for Health Statistics shall provide technical assistance to the centers in carrying out the requirements of this section.

"(h)(1) Not later than March 1, 1994, the Secretary shall transmit an initial report to the Congress describing the actions that the Secretary has taken to carry out the purposes of this section.

"(2) After the initial report, the Secretary shall report to the Congress biannually on the extent to which the area epidemiology centers established under this section have helped assess progress made towards meeting the health objectives specified in section 3.".

SEC. 209. CALIFORNIA CONTRACT HEALTH SERVICES DEMONSTRATION PROGRAM.

Title II of the Act is amended by adding at the end the following new section:

"CALIFORNIA CONTRACT HEALTH SERVICES DEMONSTRATION PROGRAM

"SEC. 212. (a) The Secretary shall establish a demonstration program to evaluate the use of a contract care intermediary to improve the accessibility of health services to California Indians.

"(b)(1) In establishing such program, the Secretary shall enter into an agreement with the California Rural Indian Health Board to reimburse the Board for costs (including reasonable administrative costs) incurred, during the period of the demonstration program, in providing medical treatment under contract to California Indians described in section 809(b) throughout the California contract health services delivery area described in section 810 with respect to high-cost contract care cases.

"(2) Not more than 5 percent of the amounts provided to the Board under this section for any fiscal year may be for reimbursement for administrative expenses incurred by the Board during such fiscal year.

"(3) No payment may be made for treatment provided under the demonstration program to the extent payment may be made for such treatment under the Catastrophic Health Emergency Fund described in section 202 or from amounts appropriated or otherwise made available to the California contract health service delivery area for a fiscal year.

"(c) There is hereby established an advisory board which shall advise the California Rural Indian Health Board in carrying out the demonstration pursuant to this section. The advisory board shall be composed of representatives, selected by the California Rural Indian Health Board, from not less than 8 tribal health programs serving California Indians covered under such demonstration, at least one half of whom are not affiliated with the California Rural Indian Health Board.

"(d) The demonstration program described in this section shall begin on January 1, 1993, and shall terminate on September 30, 1997.

"(e) Not later than July 1, 1998, the California Rural Indian Health Board shall submit to the Secretary a report on the demonstration program carried out under this section, including a statement of its findings regarding the impact of using a contract care intermediary on—

"(1) access to needed health services;

"(2) waiting periods for receiving such services; and

"(3) the efficient management of high-cost contract care cases.

"(f) For the purposes of this section, the term 'high-cost contract care cases' means those cases in which the cost of the medical treatment provided to an individual—

"(1) would otherwise be eligible for reimbursement from the Catastrophic Health Emergency Fund established under section 202, except that the cost of such treatment does not meet the threshold cost requirement established pursuant to section 202(b)(2); and

"(2) exceeds $1,000.

"(g) There are authorized to be appropriated for each of the fiscal years 1993, 1994, 1995, 1996, and 1997 such sums as may be necessary to carry out the purposes of this section.".

SEC. 210. COVERAGE OF SCREENING MAMMOGRAPHY.

(a) IN GENERAL.—Title II of the Act is amended by adding at the end the following new section:

"COVERAGE OF SCREENING MAMMOGRAPHY

"SEC. 213. The Secretary, through the Service, shall provide for screening mammography (as defined in section 1861(jj) of the Social Security Act) for Indian and urban Indian women 35 years of age or older at a frequency, determined by the Secretary (in consultation with the Director of the National Cancer Institute), appropriate to such women, and under such terms and conditions as are consistent with standards established by the Secretary to assure the safety and accuracy of screening mammography under part B of title XVIII of the Social Security Act.".

(b) CONFORMING AMENDMENT.—Section 201(a)(4)(B) of the Indian Health Care Improvement Act (25 U.S.C. 1621(a)(4)(B)) is amended by striking the semicolon at the end and inserting the following: ", including screening mammography in accordance with section 213;".

SEC. 211. COMPREHENSIVE SCHOOL HEALTH EDUCATION PROGRAMS.

Title II of the Act is amended by adding at the end the following new section:

"COMPREHENSIVE SCHOOL HEALTH EDUCATION PROGRAMS

"SEC. 214. (a) The Secretary, acting through the Service and in consultation with the Secretary of the Interior, may award grants to Indian tribes to develop comprehensive school health education programs for children from preschool through grade 12 in schools located on Indian reservations.

"(b) Grants awarded under this section may be used to—

"(1) develop health education curricula;

"(2) train teachers in comprehensive school health education curricula;

"(3) integrate school-based, community-based, and other public and private health promotion efforts;

"(4) encourage healthy, tobacco-free school environments;

"(5) coordinate school-based health programs with existing services and programs available in the community;

"(6) develop school programs on nutrition education, personal health, and fitness;

"(7) develop mental health wellness programs;

"(8) develop chronic disease prevention programs;

"(9) develop substance abuse prevention programs;

"(10) develop accident prevention and safety education programs;

"(11) develop activities for the prevention and control of communicable diseases; and

"(12) develop community and environmental health education programs.

"(c) The Secretary shall provide technical assistance to Indian tribes in the development of health education plans, and the dissemination of health education materials and information on existing health programs and resources.

"(d) The Secretary shall establish criteria for the review and approval of applications for grants made pursuant to this section.

"(e) Recipients of grants under this section shall submit to the Secretary an annual report on activities undertaken with funds provided under this section. Such reports shall include a statement of—

"(1) the number of preschools, elementary and secondary schools served;

"(2) the number of students served;

"(3) any new curricula established with funds provided under this section;

"(4) the number of teachers trained in the health curricula; and

"(5) the involvement of parents, members of the community, and community health workers in programs established with funds provided under this section.

"(f)(1) The Secretary of the Interior, acting through the Bureau of Indian Affairs and in cooperation with the Secretary, shall develop a comprehensive school health education program for children from preschool through grade 12 in schools operated by the Bureau of Indian Affairs.

"(2) Such program shall include—

"(A) school programs on nutrition education, personal health, and fitness;

"(B) mental health wellness programs;

"(C) chronic disease prevention programs;

"(D) substance abuse prevention programs;

"(E) accident prevention and safety education programs; and

"(F) activities for the prevention and control of communicable diseases.

"(3) The Secretary of the Interior shall—

"(A) provide training to teachers in comprehensive school health education curricula;

"(B) ensure the integration and coordination of school-based programs with existing services and health programs available in the community; and

"(C) encourage healthy, tobacco-free school environments.

"(g) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000.".

SEC. 212. INDIAN YOUTH GRANT PROGRAM.

Title II of the Act is amended by adding at the end the following new section:

"INDIAN YOUTH GRANT PROGRAM

"SEC. 216. (a) The Secretary, acting through the Service, is authorized to make grants to Indian tribes, tribal organizations, and urban Indian organizations for innovative mental and physical disease prevention and health promotion and treatment programs for Indian pre-adolescent and adolescent youths.

"(b) Grants made pursuant to this section may be used to—

"(1) develop prevention and treatment models for Indian youth which promote mental and physical health and incorporate cultural values, community and family involvement, and traditional healers; and

"(2) develop and provide community training and education.

"(c) The Secretary shall—

"(1) disseminate to Indian tribes information regarding models for the delivery of comprehensive health care services to Indian and urban Indian adolescents;

"(2) encourage the implementation of such models; and

"(3) at the request of an Indian tribe, provide technical assistance in the implementation of such models.

"(d) The Secretary shall establish criteria for the review and approval of applications under this section.

"(e) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000.".

SEC. 213. TUBERCULOSIS PREVENTION DEMONSTRATION PROGRAM.

Title II of the Act is amended by adding at the end the following new section:

"TUBERCULOSIS PREVENTION DEMONSTRATION PROGRAM

"SEC. 216. (a) The Secretary, acting through the Service, may make grants to Indian tribes and tribal organizations to evaluate different measures used to prevent and eliminate tuberculosis (hereafter referred to in this section as 'TB') on Indian reservations.

"(b) A grant awarded under this section may be used to—

"(1) train health care staff in methods to prevent and eliminate TB;

"(2) conduct screenings of residents of Indian reservations to detect the presence, or monitor the condition, of persons who are at risk for contracting TB or who already have the disease;

"(3) educate the community about the nature and prevention of TB;

"(4) create and maintain a registry of persons with TB, including information obtained from screenings conducted pursuant to paragraph (2);

"(5) develop methods, such as use of a TB control team, to coordinate all TB prevention and elimination activities on a reservation; and

"(6) treat those afflicted with TB.

"(c) The Secretary shall—

"(1) make at least 1 grant under this section to an Indian tribe or tribal organization located in each Area office;

"(2) establish criteria for the review and approval of applications for grants under this section; and

"(3) provide, at the request of a grant applicant or recipient, technical assistance to accomplish the purposes of this section.

"(d) A grant recipient under this section shall—

"(1) cooperate with—

"(A) the Centers for Disease Control;

"(B) the Service;

"(C) State health agencies; and

"(D) local health agencies

to coordinate and conduct activities authorized under this section; and

"(2) submit to the Secretary an annual report on activities conducted with funds provided under this section.".

SEC. 214. PATIENT TRAVEL COSTS.

Title II of the Act is amended by adding at the end the following section:

"PATIENT TRAVEL COSTS

"SEC. 217. The Secretary, acting through the Service, shall provide funds to address and meet the high costs of patient travel in remote areas of Alaska when there is no reasonable alternative for the patient.".

SEC. 215. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Title II of the Act is amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 218. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

(b) CONFORMING AMENDMENTS.—Title II of the Act is amended—

(1) in section 201(h)—

(A) by striking the first sentence; and

(B) by striking "subsection" and inserting "section";

(2) in section 202, by striking subsection (e);

(3) in section 204(e)—

(A) by striking the first sentence; and

(B) by striking "subsection (c)" and inserting "this section"; and

(4) in section 209 (as amended by section 902(3)(B) of this Act)—

(A) by striking subsections (c)(5), (d)(6), (f)(4), and (g)(5);

(B) in subsection (h)—

(i) by striking paragraph (2); and

(ii) by striking "(1)";

(C) in subsection (i)—

(i) by striking paragraph (2); and

(ii) by striking "(1)";

(D) in subsection (d)(3)(B), by striking "this subsection" and inserting "this section"; and

(E) in subsection (k)(6)—

(i) by striking the first sentence; and

(ii) by striking "subsection" and inserting "section".

SEC. 216. CONTRACT HEALTH SERVICES PAYMENT STUDY.

Title II of the Act is amended by adding at the end thereof the following new section:

"CONTRACT HEALTH SERVICES PAYMENT STUDY

"SEC. 219. (a) The Secretary, acting through the Service and in consultation with representatives of the Indian tribes, Indian organizations operating Contract Health Care programs under the Indian Self-Determination and Education Assistance Act or under self-governance compacts, Indian Health Service personnel, private Contract Health Service providers, and the Indian Health Service Fiscal Intermediary, shall conduct a study—

"(1) to assess and identify the administrative barriers which hinder the timely payments for services delivered by private Contract Health Services providers for individual Indians by the Indian Health Service and the Indian Health Service Fiscal Intermediary;

"(2) to assess and identify the impact of delayed Contract Health Services payments by the Indian Health Service and the Indian Health Service Fiscal Intermediary to private Contract Health Services providers upon the personal credit records of individual Indians who have been treated by same providers; and

"(3) to determine the most efficient and effective means of improving the Indian Health Service Contract Health Services payment system and ensuring the development of appropriate consumer protection policies designed to protect individual Indians who receive authorized services from private Contract Health Services providers.

"(b) Such study shall—

"(1) assess the impact of the existing Indian Contract Health Services regulations and policies upon the ability of the Indian Health Service and the Indian Health Service Fiscal Intermediary to process, on a timely and efficient basis, the payment of billings submitted by private Contract Health Services providers;

"(2) assess the impact which delayed payments have on the private Contract Health Services providers' fiscal operations;

"(3) assess the nature and extent of the problems experienced by individual Indians with collection agencies seeking payments on behalf of Contract Health Services providers; and

"(4) identify the appropriate changes in Federal policies, administrative procedures and regulations required to eliminate the problems experienced by the private Contract Health Services' providers and individual Indians as a result of delayed Contract Health Services payments.

"(c) Not later than the date which is 12 months after the date of enactment of this section, the Secretary shall transmit to the Congress a report containing—

"(1) a detailed description of the study conducted pursuant to this section;

"(2) a discussion of the findings and conclusions of such study; and

"(3) recommendations for appropriate administrative and legislative solutions.

"(d) There are authorized to be appropriated such sums as are necessary to carry out this section for fiscal year 1993 or any fiscal year thereafter in which the report is due.".

SEC. 217. NATIVE HAWAIIAN HEALTH SCHOLARSHIPS.

(a) ELIGIBILITY.—Subject to the availability of funds appropriated under the authority of subsection (c) of this section, the Secretary shall provide funds through a direct grant or a cooperative agreement to Kamehameha School/Bishop Estate for the purpose of providing scholarship assistance to students who—

(1) meet the requirements of section 329 of the Public Health Service Act (42 U.S.C. 254b), and

(2) are Native Hawaiians.

(b) TERMS AND CONDITIONS.—(1) The scholarship assistance provided under subsection (a) of this section shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 338A of the Public Health Service Act (42 U.S.C. 2541), provided that—

(A) the provision of scholarships in each type of health care profession training shall correspond to the need for each type of health care professional to serve the Native Hawaiian health care systems, as identified by Papa Ola Lokahi;

(B) to the maximum extent practicable, the Secretary shall select scholarship recipients from a list of eligible applicants submitted by the Kamehameha Schools/Bishop Estate;

(C) the obligated service requirement for each scholarship recipient shall be fulfilled through service, in order of priority, in (i) any one of the five Native Hawaiian health care systems, or (ii) health professions shortage areas, medically underserved areas, or geographic areas or facilities similarly designated by the United States Public Health Service in the State of Hawaii; and

(D) the provision of counseling, retention and other support services shall not be limited to scholarship recipients, but shall also include recipients of other scholarship and financial aid programs enrolled in appropriate health professions training programs.

(2) The Native Hawaiian Health Scholarship program shall not be administered by or through the Indian Health Service.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal years 1993 through 2001 for the purpose of funding the scholarship assistance provided under subsection (a) of this section.

SEC. 218. PAYMENT OF CLAIMS.

Title II of the Act is amended by adding at the end the following new section:

"PROMPT ACTION

"SEC. 220. (a) The Indian Health Service shall respond to a notification of a claim by a provider of a contract care service with either an individual purchase order or a denial of the claim within 5 working days after the receipt of such notification.

"(b) If the Indian Health Service fails to respond to a notification of a claim in accordance with subsection (a), the Indian Health Service shall accept as valid the claim submitted by the provider of a contract care service.

"(c) The Indian Health Service shall pay a completed contract care service claim within 30 days of completion of the claim, and shall be subject to the Prompt Payment Act (31 U.S.C. 3901 et seq.).".

TITLE III—HEALTH FACILITIES

SEC. 301. HEALTH FACILITIES CLOSURE AND PRIORITIES.

Section 301 of the Act (25 U.S.C. 1631) is amended—

(1) in subsection (a)(2), by striking "Hospitals" and inserting "Health Care Organizations";

(2) in subsection (b)(1)—

(A) by striking "other" before "outpatient";

(B) by striking "and" at the end of subparagraph (D);

(C) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(D) by adding at the end the following new subparagraphs:

"(F) the level of utilization of such hospital or facility by all eligible Indians; and

"(G) the distance between such hospital or facility and the nearest operating Service hospital.";

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively;

(4) in subsection (c)(1) (as redesignated by paragraph (3) of this subsection), by striking the material preceding subparagraph (A) and inserting the following:

"(c)(1) The Secretary shall submit to the President, for inclusion in each report required to be transmitted to the Congress under section 801, a report which sets forth—"; and

(5) by striking paragraph (2) of subsection (c) (as redesignated by paragraph (3) of this subsection) and redesignating paragraphs (3), (4), and (5) of such subsection as paragraphs (2), (3), and (4), respectively.

SEC. 302. SAFE WATER AND SANITARY WASTE DISPOSAL FACILITIES.

Section 302 of the Act (25 U.S.C. 1632) is amended—

(1) by amending subsection (e) to read as follows:

"(e)(1) The Secretary is authorized to provide financial assistance to Indian tribes and communities in an amount equal to the Federal share of the costs of operating, managing, and maintaining the facilities provided under the plan described in subsection (c).

"(2) For the purposes of paragraph (1), the term 'Federal share' means 80 percent of the costs described in paragraph (1).

"(3) With respect to Indian tribes with fewer than 1,000 enrolled members, the non-Federal portion of the costs of operating, managing, and maintaining such facilities may be provided, in part, through cash donations or in kind property, fairly evaluated.";

(2) in subsection (f)(1), by striking out "subsection (h)" and inserting in lieu thereof "this section"; and

(3) in subsection (g)—

(A) in paragraph (1), by striking out "The Secretary" through "report" and inserting in lieu thereof the following: "The Secretary shall submit to the President, for inclusion in each report required to be transmitted to the Congress under section 801, a report"; and

(B) by striking out paragraph (2) and redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively.

SEC. 303. AMBULATORY CARE FACILITIES GRANT PROGRAM.

Section 306 of the Act (25 U.S.C. 1636) is amended to read as follows:

"GRANT PROGRAM FOR THE CONSTRUCTION, EXPANSION, AND MODERNIZATION OF SMALL AMBULATORY CARE FACILITIES

"SEC. 306. (a)(1) The Secretary, acting through the Service, shall make grants to tribes and tribal organizations for the construction, expansion, or modernization of facilities for the provision of ambulatory care services to eligible Indians. A grant made under this section may cover up to 100 percent of the costs of such construction, expansion, or modernization. For the purposes of this section, the term 'construction' includes the replacement of an existing facility.

"(2) A grant under paragraph (1) may only be made to a tribe or tribal organization pursuant to a contract entered into under the Indian Self-Determination Act.

"(b)(1) A grant provided under this section may be used only for the construction, expansion, or modernization (including the planning and design of such construction, expansion, or modernization) of an ambulatory care facility—

"(A) located apart from a hospital;

"(B) not funded under section 301 or section 307; and

"(C) which, upon completion of such construction, expansion, or modernization will—

"(i) have a total capacity appropriate to its projected service population;

"(ii) serve no less than 500 eligible Indians annually; and

"(iii) provide ambulatory care in a service area (specified in the contract entered into under the Indian Self-Determination Act) with a population of not less than 2,000 eligible Indians.

"(2) The requirements of clauses (ii) and (iii) of paragraph (1)(C) shall not apply to a tribe or tribal organization applying for a grant under this section whose tribal government offices are located on an island.

"(c)(1) No grant may be made under this section unless an application for such a grant has been submitted to and approved by the Secretary. An application for a grant under this section shall be submitted in such form and manner as the Secretary shall by

regulation prescribe and shall set forth reasonable assurance by the applicant that, at all times after the construction, expansion, or modernization of a facility carried out pursuant to a grant received under this section—

"(A) adequate financial support will be available for the provision of services at such facility;

"(B) such facility will be available to eligible persons without regard to ability to pay or source of payment; and

"(C) such facility will, as feasible without diminishing the quality or quantity of services provided to eligible persons, serve noneligible persons on a cost basis.

"(2) In awarding grants under this section, the Secretary shall give priority to tribes and tribal organizations that demonstrate—

"(A) a need for increased ambulatory care services; and

"(B) insufficient capacity to deliver such services.

"(d) If any facility (or portion thereof) with respect to which funds have been paid under this section, ceases, at any time after completion of the construction, expansion, or modernization carried out with such funds, to be utilized for the purposes of providing ambulatory care services to eligible Indians, all of the right, title, and interest in and to such facility (or portion thereof) shall transfer to the United States.".

SEC. 304. INDIAN HEALTH CARE DELIVERY DEMONSTRATION PROJECT.

(a) AWARDING OF GRANTS.—Section 307(c) of the Act (25 U.S.C. 1637(c)(3)) is amended—

(1) in paragraph (1)(A), by inserting "or program" immediately after "facility";

(2) in paragraph (3)(A)—

(A) by striking "The" and inserting "On or before September 30, 1995, the"; and

(B) by adding before the colon the following: "and for which a completed application has been received by the Secretary"; and

(3) by striking subparagraph (B) and inserting the following:

"(B) Subject to the availability of appropriations, the Secretary shall also enter into contracts or award grants under this section taking into consideration applications received under this section from all service areas. The Secretary may not award a greater number of such contracts or grants in one service area than in any other service area until there is an equal number of such contracts or grants awarded with respect to all service areas from which the Secretary receives applications during the application period (as determined by the Secretary) which meet the criteria specified in paragraph (1).".

(b) REPORTS.—Section 307(h) of the Act (25 U.S.C. 1637(h)) is amended to read as follows:

"(h)(1) The Secretary shall submit to the President, for inclusion in the report which is required to be submitted to the Congress under section 801 for fiscal year 1997, an interim report on the findings and conclusions derived from the demonstration projects established under this section.

"(2) The Secretary shall submit to the President, for inclusion in the report which is required to be submitted to the Congress under section 801 for fiscal year 1999, a final report on the findings and conclusions derived from the demonstration projects established under this section, together with legislative recommendations.".

SEC. 305. EXPENDITURE OF NONSERVICE FUNDS FOR RENOVATION.

Section 305 of the Act (25 U.S.C. 1634) is amended to read as follows:

"EXPENDITURE OF NONSERVICE FUNDS FOR RENOVATION

"SEC. 305. (a)(1) Notwithstanding any other provision of law, the Secretary is authorized to accept any major renovation or modernization by any Indian tribe of any Service facility, or of any other Indian health facility operated pursuant to a contract entered into under the Indian Self-Determination Act, including—

"(A) any plans or designs for such renovation or modernization; and

"(B) any renovation or modernization for which funds appropriated under any Federal law were lawfully expended,

but only if the requirements of subsection (b) are met.

"(2) The Secretary shall maintain a separate priority list to address the needs of such facilities for personnel or equipment.

"(3) The Secretary shall plan for and shall seek funding to address the needs of facilities identified pursuant to paragraph (2).

"(b) The requirements of this subsection are met with respect to any renovation or modernization if—

"(1) the tribe or tribal organization—

"(A) provides notice to the Secretary of its intent to renovate or modernize; and

"(B) applies to the Secretary to be placed on a separate priority list to address the needs of such new facilities for personnel or equipment; and

"(2) the renovation or modernization—

"(A) is approved by the appropriate area director of the Service; and

"(B) is administered by the tribe in accordance with the rules and regulations prescribed by the Secretary with respect to construction or renovation of Service facilities.

"(c) If any Service facility which has been renovated or modernized by an Indian tribe under this section ceases to be used as a Service facility during the 20-year period beginning on the date such renovation or modernization is completed, such Indian tribe shall be entitled to recover from the United States an amount which bears the same ratio to the value of such facility at the time of such cessation as the value of such renovation or modernization (less the total amount of any funds provided specifically for such facility under any Federal program that were expended for such renovation or modernization) bore to the value of such facility at the time of the completion of such renovation or modernization.".

SEC. 306. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Title III of the Act is amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 308. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

(b) CONFORMING AMENDMENTS.—Title III of the Act is amended—

(1) in section 302, by striking subsection (h); and

(2) in section 307, by striking subsection (i).

TITLE IV—ACCESS TO HEALTH SERVICES

SEC. 401. TREATMENT OF PAYMENTS TO INDIAN HEALTH SERVICE FACILITIES UNDER MEDICARE AND MEDICAID PROGRAMS.

(a) MEDICARE PROGRAM.—(1) Section 401 of the Act (42 U.S.C. 1395qq note) is amended to read as follows:

"TREATMENT OF PAYMENTS UNDER MEDICARE PROGRAM

"SEC. 401. (a) Any payments received by a hospital or skilled nursing facility of the Service (whether operated by the Service or by an Indian tribe or tribal organization pursuant to a contract under the Indian Self-Determination Act) for services provided to Indians eligible for benefits under title XVIII of the Social Security Act shall not be considered in determining appropriations for health care and services to Indians.

"(b) Nothing in this Act authorizes the Secretary to provide services to an Indian beneficiary with coverage under title XVIII of the Social Security Act, as amended, in preference to an Indian beneficiary without such coverage.".

(2) Subsection (a) of section 1880 of the Social Security Act (42 U.S.C. 1395qq(a)) is amended to read as follows:

"(a) A facility of the Indian Health Service or of an Indian tribe or tribal organization carrying out a contract, grant, or cooperative agreement under the Indian Self-Determination Act (25 U.S.C. 450 et seq.), shall be eligible for payments under this title, notwithstanding sections 1814(c) and 1835(d) of this title, if it meets all of the conditions and requirements for such payments which are applicable generally to such a facility under this title, provided that this provision shall not apply to any facility owned and operated by an Indian tribe or tribal organization which is otherwise eligible for payments under this title.".

(3) Section 1880(c) of the Social Security Act (42 U.S.C. 1395qq(c)) is amended by striking out the last sentence.

(b) MEDICAID PROGRAM.—(1) Section 402 of the Act is amended to read as follows:

"TREATMENT OF PAYMENTS UNDER MEDICAID PROGRAM

"SEC. 402. (a) Notwithstanding any other provision of law, payments to which any facility of the Service (including a hospital, nursing facility, intermediate care facility for the mentally retarded, or any other type of facility which provides services for which payment is available under title XIX of the Social Security Act) is entitled under a State plan by reason of section 1911 of such Act shall be placed in a special fund to be held by the Secretary and used by him (to such extent or in such amounts as are provided in appropriation Acts) exclusively for the purpose of making any improvements in the facilities of such Service which may be necessary to achieve compliance with the applicable conditions and requirements of such title. In making payments from such fund, the Secretary shall ensure that each service unit of the Service receives at least 80 percent of the amounts to which the facilities of the Service, for which such service unit makes collections, are entitled by reason of section 1911 of the Social Security Act, if such amount is necessary for the purpose of making improvements in such facilities in order to achieve compliance with the conditions and requirements of title XIX of the Social Security Act.

"(b) Any payments received by such facility for services provided to Indians eligible for benefits under title XIX of the Social Security Act shall not be considered in determining appropriations for the provision of health care and services to Indians.".

(2) The increase (from 50 percent) in the percentage of the payments from the fund to be made to each service unit of the Service specified in the amendment made by paragraph (1) shall take effect beginning with payments made on January 1, 1993.

SEC. 402. REPORT.

Section 403 of the Act (25 U.S.C. 1671 note) is amended by striking "The Secretary" and all that follows through "section 701" and in-

serting "The Secretary shall submit to the President, for inclusion in the report required to be transmitted to the Congress under section 801,".

SEC. 403. GRANTS TO AND CONTRACTS WITH TRIBAL ORGANIZATIONS.

Section 404(b)(4) of the Act (25 U.S.C. 1622) is amended to read as follows:

"(4) develop and implement—

"(A) a schedule of income levels to determine the extent of payments of premiums by such organizations for coverage of needy individuals; and

"(B) methods of improving the participation of Indians in receiving the benefits provided under titles XVIII and XIX of the Social Security Act.".

SEC. 404. EXTENSION OF DEMONSTRATION PROGRAM.

Section 405 of the Act is amended—

(1) in subsection (c)(2), by striking "1995" and inserting "1996"; and

(2) in subsection (e), by striking "1995" and inserting "1996".

SEC. 405. ADDITIONAL AUTHORITY.

Title IV of the Act is amended by adding at the end the following new section:

"ADDITIONAL AUTHORITY

"SEC. 406. (a) The Secretary may enter into an agreement with any tribal or urban Indian organization which provides for the receipt and processing of applications for medical assistance under title XIX of the Social Security Act and benefits under title XVIII of the Social Security Act at tribal or Indian Health Service contract health services facilities.

"(b) The Secretary may pay premiums, deductibles, and copayments under part B of title XVIII of the Social Security Act for beneficiaries under part A of title XVIII of such Act who are not qualified medicare beneficiaries (as described in section 1905(p) of such Act) due to income, but whose family income is not more than 200 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981).

"(c) The Secretary shall not deny contract health services coverage to Indian recipients of medical care if such recipients—

"(1) have attained age 65, or are disabled;

"(2) have received emergency health care and have given notice of the receipt of such health care to the contract health services program within 30 days after receiving such health care, or have demonstrated good cause for not so doing;

"(3) have, upon the request of the administrator of the contract health services program, applied for coverage under title XIX of the Social Security Act within 90 days of the provision of such emergency health care (in accordance with section 1902(a)(34) of such Act); and

"(4) are otherwise eligible for contract health services coverage.".

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Title IV of the Act is amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 407. There are authorized to be appropriated such funds as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

(b) CONFORMING AMENDMENTS.—Section 404 of the Act is amended by striking subsection (c).

TITLE V—HEALTH SERVICES FOR URBAN INDIANS

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Title V of the Act is amended by inserting after section 510 (as redesignated by section 902(5)(B) of this Act) the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

(b) CONFORMING AMENDMENTS.—Title V of the Act (25 U.S.C. 1650 et seq.) is amended—

(1) in section 503—

(A) in subsection (c), by striking "(c)(1)" and inserting "(c)" and by striking paragraph (2);

(B) in subsection (d), by striking paragraph (4);

(C) in subsection (e), by striking paragraph (4); and

(D) in subsection (f), by striking paragraph (5); and

(2) in section 509 (as redesignated by section 902(4)(A) of this Act), by striking the last sentence.

SEC. 502. GRANT AUTHORITY.

(a) IN GENERAL.—Section 502 of the Act (25 U.S.C. 1651) is amended—

(1) by striking "contracts with" and inserting the following: "contracts with, or make grants to,";

(2) by inserting after "enters into with" the following: ", or in any grant the Secretary makes to,"; and

(3) by amending the title to read as follows:

"CONTRACTS WITH, AND GRANTS TO, URBAN INDIAN ORGANIZATIONS".

(b) CONFORMING AMENDMENTS.—(1) Section 503 of the Act (25 U.S.C. 1653) is amended—

(A) in subsection (a), in the material preceding paragraph (1)—

(i) by inserting ", or make grants to," after "contracts with"; and

(ii) by inserting "or grant" after "such contract";

(B) in subsection (b)—

(i) in the material preceding paragraph (1), by inserting "or receive grants" after "enter into contracts"; and

(ii) in paragraph (5), by inserting "or to meet the requirements for receiving a grant" after "Secretary";

(C) in subsection (c)(1), by inserting before the period at the end the following: "or receiving grants under subsection (a)";

(D) in subsection (d)(1), by inserting before the period at the end the following: "or receiving grants under subsection (a)";

(E) in subsection (e)(1), by inserting before the period at the end the following: "or receiving grants under subsection (a)";

(F) in subsection (f), by inserting "or receiving grants under subsection (a)" after "this section"; and

(G) by amending the title to read as follows:

"CONTRACTS AND GRANTS FOR THE PROVISION OF HEALTH CARE AND REFERRAL SERVICES".

(2) Section 504 of the Act (25 U.S.C. 1654) is amended—

(A) by striking "SEC. 504." and all that follows through the end of subsection (a) and inserting the following:

"SEC. 504. (a) Under authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary, through the Service, may enter into contracts with, or make grants to, urban Indian organizations situated in urban centers for which contracts have not been entered into, or grants have not been made, under section 503. The purpose of a contract or grant made under this section shall be the determination of the matters described in subsection (b)(1) in order to assist the Secretary in assessing the health status and health care needs of urban Indians in the urban center involved and determining whether the Secretary should enter into a contract or make a grant under section 503 with respect to the urban Indian organization which the Secretary has entered into a contract with, or made a grant to, under this section.";

(B) in subsection (b)—

(i) in the material preceding paragraph (1), by inserting ", or grant made," after "contract entered into"; and

(ii) in paragraph (2), by striking "within one year" and all that follows through the period at the end and inserting the following: ", or carry out the requirements of the grant, within one year after the date on which the Secretary and such organization enter into such contract, or within one year after such organization receives such grant, whichever is applicable.";

(C) in subsection (c), by inserting ", or grant made," after "entered into"; and

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

"CONTRACTS AND GRANTS FOR THE DETERMINATION OF UNMET HEALTH CARE NEEDS".

(3) Section 505 of the Act (25 U.S.C. 1655) is amended—

(A) in subsection (a), by inserting "compliance with grant requirements under this title and" before "compliance with,";

(B) in subsection (b)—

(i) by inserting "or received a grant" after "entered into a contract"; and

(ii) by inserting before the period at the end the following: "or the terms of such grant";

(C) in subsection (c)—

(i) by inserting "the requirements of a grant or complied with" after "complied with";

(ii) by inserting "or grant" after "such contract" each place it appears";

(iii) by inserting "or make a grant" after "enter into a contract"; and

(iv) by inserting "or grant" after "whose contract";

(D) in subsection (d), by inserting "or grant" after "a contract" each place it appears; and

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

"EVALUATIONS; RENEWALS".

(4) Section 506 of the Act (25 U.S.C. 1656) is amended—

(A) in subsection (b), by inserting "or grants" after "any contracts";

(B) in subsection (d), by inserting "or grant" after "contract" each place it appears;

(C) in subsection (e)—

(i) by inserting ", or grants to," after "Contracts with"; and

(ii) by inserting "or grants" after "such contracts";

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

"(g) Notwithstanding any other provision of law, organizations receiving grants or contracts under this title, including urban Indian demonstration projects, shall meet the definition of an urban Indian organization as defined in section 4(h); and

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

"OTHER CONTRACT AND GRANT REQUIREMENTS".

(5) Section 507 of the Act (25 U.S.C. 1657) is amended—

(A) in subsection (a)—

(i) in the material preceding paragraph (1), by inserting ", or a grant received," after "entered into"; and

(ii) in paragraphs (1) and (2), by inserting "or grant" after "contract" each place it appears; and

(B) in subsections (b) and (c), by inserting "or grant" after "contract" each place it appears.

(6) Section 509 of the Act (25 U.S.C. 1659) (as amended by section 902(5)(A) of this Act) is amended by inserting "or grant recipients" after "contractors" each place it appears.

(7) Section 510(a) of the Act (25 U.S.C. 1660) (as amended by section 902(5)(B) of this Act) is amended by striking the period at the end and inserting the following: ", and for providing central oversight of the programs and services authorized under this title.".

SEC. 503. FEDERAL TORT CLAIMS ACT COVERAGE.

Title V of the Act (as amended by section 501 of this Act) is further amended by adding at the end the following new section:

"FEDERAL TORT CLAIMS ACT COVERAGE

"SEC. 512. For the purposes of section 224 of the Public Health Service Act (42 U.S.C. 233(a)), with respect to claims for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, an urban Indian health program carrying out contract or agreement under section 503(a) for the benefit of urban Indians, is deemed to be part of the Public Health Service in the Department of Health and Human Services while carrying out any such contract or agreement, and its employees (including those acting on behalf of the organization as provided in section 2671 of title 28, United States Code) are deemed employees of the Public Health Service while acting within the scope of their employment in carrying out the contract or agreement.".

SEC. 504. TREATMENT OF DEMONSTRATION PROGRAMS.

Notwithstanding any other provision of law, the two demonstration programs, Oklahoma City Clinic and Tulsa Clinic, which are in the Hospitals and Clinics program of the Indian Health Service shall be treated as service units in the allocation of resources, and coordination of care. The Secretary shall provide assistance to these programs in the development of resources, equipment and facility needs. For the period that the Oklahoma City and Tulsa clinics are in demonstration-project status, they shall not be subject to the provisions of Public Law 93-638. The Secretary shall evaluate the results of these demonstration projects and report back to Congress his findings and recommendations by March 1999.

TITLE VI—ORGANIZATIONAL IMPROVEMENTS

SEC. 601. INDIAN HEALTH SERVICE.

Section 601(c) of the Act (25 U.S.C. 1661(c)) is amended—

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

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

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

"(4) all scholarship and loan functions carried out under title I.".

SEC. 602. AUTHORIZATION OF APPROPRIATIONS.

Title VI of the Act (25 U.S.C. 1661 et seq.) is amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 603. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

SEC. 603. DIRECTOR OF INDIAN HEALTH SERVICE.

(a) ABOLITION OF CURRENT POSITION.—The position of Director of the Indian Health Service shall be abolished effective January 1, 1993.

(b) ESTABLISHMENT OF NEW POSITION.—The position of Director of the Indian Health Service shall be established effective January 1, 1993.

(c) CONFIRMATION BY THE SENATE.—Section 601(a) of the Act (25 U.S.C. 1661(a)) is amended in the second sentence, by striking "Secretary" and inserting "President, by and with the advice and consent of the Senate".

(d) INTERIM APPOINTMENT.—The President may appoint a person to serve as Interim Director of the Indian Health Service from January 1, 1993, until a Director is appointed and confirmed as provided by section 601(a) of the Act, as amended by this Act. The Interim Director shall have the same duties, powers, and responsibilities as the Director while serving pursuant to this subsection.

(e) TERM.—Section 601(a) of the Act is amended by adding at the end the following: "The Director of the Indian Health Service shall serve a term of 4 years. A Director may be appointed, by and with the advice and consent of the Senate, for more than 1 term.".

TITLE VII—SUBSTANCE ABUSE PROGRAMS

SEC. 701. REDESIGNATION OF EXISTING TITLE VII.

(a) TITLE HEADING.—Title VII of the Act (25 U.S.C. 1671 et seq.) is redesignated as title VIII and the title heading is amended to read as follows:

"TITLE VIII—MISCELLANEOUS"

(b) REDESIGNATION OF SECTIONS.—Sections 701 through 720 of the Act (25 U.S.C. 1671 et seq.) are redesignated as sections 801 through 820, respectively.

(c) CONFORMING AMENDMENTS.—The Act is amended—

(1) in section 207(a), by striking "section 713" and inserting "section 813";

(2) in section 307(e), by striking "section 713" and inserting "section 813"; and

(3) in section 405(b)—

(A) in paragraph (1), by striking "sections 402(c) and 713(b)(2)(A)" and inserting "sections 402(a) and 813(b)(2)(A)"; and

(B) in paragraph (4), by striking "section 402(c)" each place it appears and inserting "section 402(a)".

(d) REFERENCES.—Any reference in a provision of law other than the Indian Health Care Improvement Act to sections redesignated by subsection (b) shall be deemed to refer to the section as so redesignated.

SEC. 702. SUBSTANCE ABUSE PROGRAMS.

(a) IN GENERAL.—The Act is amended by inserting after title VI the following new title:

"TITLE VII—SUBSTANCE ABUSE PROGRAMS

"GALLUP ALCOHOL AND SUBSTANCE ABUSE TREATMENT CENTER

"SEC. 701. (a) GRANTS FOR RESIDENTIAL TREATMENT.—The Secretary shall make grants to the Navajo Nation for the purpose of providing residential treatment for alcohol and substance abuse for adult and adolescent members of the Navajo Nation and neighboring tribes.

"(b) PURPOSES OF GRANTS.—Grants made pursuant to this section shall be used to—

"(1) provide at least 15 residential beds each year for adult long-term treatment, including beds for specialized services such as polydrug abusers, dual diagnosis, and specialized services for women with fetal alcohol syndrome children;

"(2) establish clinical assessment teams consisting of a psychologist, a part-time addictionologist, a master's level assessment counselor, and a certified medical records technician which shall be responsible for conducting individual assessments and matching Indian clients with the appropriate available treatment;

"(3) provide at least 12 beds for an adolescent shelterbed program in the city of Gallup, New Mexico, which shall serve as a satellite facility to the Acoma/Canoncito/Laguna Hospital and the adolescent center located in Shiprock, New Mexico, for emergency crisis services, assessment, and family intervention;

"(4) develop a relapse program for the purposes of identifying sources of job training and job opportunity in the Gallup area and providing vocational training, job placement, and job retention services to recovering substance abusers; and

"(5) provide continuing education and training of treatment staff in the areas of intensive outpatient services, development of family support systems, and case management in cooperation with regional colleges, community colleges, and universities.

"(c) CONTRACT FOR RESIDENTIAL TREATMENT.—The Navajo Nation, in carrying out the purposes of this section, shall enter into a contract with an institution in the Gallup, New Mexico, area which is accredited by the Joint Commission of the Accreditation of Health Care Organizations to provide comprehensive alcohol and drug treatment as authorized in subsection (b).

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

"(1) to carry out the purposes of subsection (b)(1)—

"(A) $400,000 for fiscal year 1993;

"(B) $400,000 for fiscal year 1994; and

"(C) $500,000 for fiscal year 1995;

"(2) to carry out the purposes of subsection (b)(2)—

"(A) $100,000 for fiscal year 1993;

"(B) $125,000 for fiscal year 1994; and

"(C) $150,000 for fiscal year 1995;

"(3) to carry out the purposes of subsection (b)(3)—

"(A) $75,000 for fiscal year 1993;

"(B) $85,000 for fiscal year 1994; and

"(C) $100,000 for fiscal year 1995;

"(4) to carry out the purposes of subsection (b)(4), $150,000 for each of fiscal years 1993, 1994, and 1995; and

"(5) to carry out the purposes of subsection (b)(5)—

"(A) $75,000 for fiscal year 1993;

"(B) $90,000 for fiscal year 1994; and

"(C) $100,000 for fiscal year 1995."

"URBAN INDIAN PROGRAM

"SEC. 702. (a) GRANTS.—The Secretary may make grants for the provision of health-related services in prevention of, treatment of, rehabilitation of, or school and community-based education in alcohol and substance abuse in urban centers to those urban Indian organizations with whom the Secretary has entered into a contract under title V of this Act.

"(b) GOALS OF GRANT.—Each grant made pursuant to subsection (a) shall set forth the goals to be accomplished pursuant to the grant. The goals shall be specific to each

grant as agreed to between the Secretary and the grantee.

"(c) CRITERIA.—The Secretary shall establish criteria for the grants made under subsection (a), including criteria relating to the—

"(1) size of the urban Indian population;

"(2) accessibility to, and utilization of, other health resources available to such population;

"(3) duplication of existing Service or other Federal grants or contracts;

"(4) capability of the organization to adequately perform the activities required under the grant;

"(5) satisfactory performance standards for the organization in meeting the goals set forth in such grant, which standards shall be negotiated and agreed to between the Secretary and the grantee on a grant-by-grant basis; and

"(6) identification of need for services.

The Secretary shall develop a methodology for allocating grants made pursuant to this section based on such criteria.

"(d) TREATMENT OF FUNDS RECEIVED BY URBAN INDIAN ORGANIZATIONS.—Any funds received by an urban Indian organization under this or any other Act for substance abuse prevention, treatment, and rehabilitation shall be subject to the criteria set forth in subsection (c).

"(e) URBAN NIAAA TRANSFERRED PROGRAMS.—(1) The Secretary shall provide within the Urban Programs Branch of the Indian Health Service a grant program for the administration of urban Indian alcohol programs which were originally established under the National Institute on Alcoholism and Alcohol Abuse (NIAAA) and transferred to the Indian Health Service. The program shall include the following:

"(2) The purpose of these grants are to provide support for the continuation of the alcohol prevention and treatment services for the urban Indian populations served, and other objectives agreed upon between the Service and the individual urban program.

"(3) Urban Indian service providers which meet the definition of an urban Indian organization under title V of this Act, and which operate Indian alcohol programs originally funded under the NIAAA subsequently transferred to the Indian Health Service, are eligible to participate in this program.

"(4) For the purposes of simplification, the Secretary may make either grants or contracts to eligible urban organizations, and may combine the NIAAA alcohol funds with other substance abuse funds currently administered through the Urban Programs Branch.

"(5) The Secretary shall evaluate and report to Congress on the activities of programs funded under this subsection at least every two years.

"PUEBLO SUBSTANCE ABUSE TREATMENT PROJECT FOR SAN JUAN PUEBLO, NEW MEXICO

"SEC. 703. The Secretary, acting through the Service, shall continue to make grants, through fiscal year 1995, to the 8 Northern Indian Pueblos Council, San Juan Pueblo, New Mexico, for the purpose of providing substance abuse treatment services to Indians in need of such services.

"ALCOHOL AND SUBSTANCE ABUSE TREATMENT FACILITY

"SEC. 704. (a) The Secretary, acting through the Service, shall establish a regional youth alcohol and substance abuse prevention and treatment center in Sacaton, Arizona, on the Gila River Indian Reservation. The center shall be established within facilities leased, with the consent of the Gila River Indian Tribe, by the Indian Health Service from such Tribe.

"(b) The center established pursuant to this section shall be known as the 'Regional Youth Alcohol and Substance Abuse Prevention and Treatment Center'.

"(c) The Secretary, acting through the Service, shall establish, as a unit of the regional center, a youth alcohol and substance abuse prevention and treatment facility in Schurz, Nevada.

"ALASKA NATIVE DRUG AND ALCOHOL ABUSE DEMONSTRATION PROJECT

"SEC. 705. (a) The Secretary, acting through the Service, shall make grants to the Alaska Native Health Board for the conduct of a two-part community-based demonstration project to reduce drug and alcohol abuse in Alaska Native villages and to rehabilitate families afflicted by such abuse. Sixty percent of such grant funds shall be employed by the Health Board to stimulate coordinated community development programs in villages seeking to organize to combat alcohol and drug use. Forty percent of such grant funds shall be transferred to a qualified nonprofit corporation providing alcohol recovery services in the village of St. Mary's, Alaska, to enlarge and strengthen a family life demonstration program of rehabilitation for families that have been or are afflicted by alcoholism.

"(b) The Secretary, acting through the Service, shall evaluate the program established under subsection (a) of this section and submit a report on such evaluation to the appropriate committees of Congress by January 1, 1994.

"TREATMENT CENTER

"SEC. 706. (a) The Secretary, acting through the Service, shall make a grant to the Thunderchild Treatment Center at Sheridan, Wyoming, to match funds already received by the Thunderchild Treatment Center through private contributions for the completion of construction of a multiple approach substance abuse treatment center which specializes in the treatment of alcohol and drug abuse of American Indians.

"(b) To carry out subsection (a), there is authorized to be appropriated, the sum of $2,000,000 for fiscal year 1994. No funding made available under this title for the purposes of carrying out this section shall be used for the staffing or operation of this facility. None of the funding appropriated to carry out subsection (a) shall be used for administrative purposes.

"FETAL ALCOHOL SYNDROME AND FETAL ALCOHOL EFFECT GRANTS

"SEC. 707. (a) The Secretary may make grants to Indian tribes and tribal organizations to establish fetal alcohol syndrome (hereafter in this title referred to as 'FAS') and fetal alcohol effect (hereafter in title referred to as 'FAE') programs as provided in this section for the purposes of meeting the health status objectives specified in section 3(b).

"(b) Grants made pursuant to this section shall be used to—

"(1) develop and provide community and in-school training, education, and prevention programs relating to FAS and FAE;

"(2) identify and provide alcohol and substance abuse treatment to high-risk women;

"(3) identify and provide appropriate educational and vocational support, counseling, advocacy, and information to FAS and FAE affected persons and their families or caretakers;

"(4) develop and implement counseling and support programs in schools for FAS and FAE affected children; and

"(5) develop prevention and intervention models which incorporate traditional healers, cultural values and community involvement.

"(c) The Secretary shall establish criteria for the review and approval of applications for grants under this section.

"(d) Ten percent of the funds appropriated to carry out this section shall be used to make grants to urban Indian organizations funded under title V.

"FETAL ALCOHOL SYNDROME AND FETAL ALCOHOL EFFECT EDUCATION

"SEC. 708. (a) The Secretary shall provide assistance to Indian tribes and tribal organizations for the development, printing, and dissemination of education and prevention materials on FAS and FAE and in the development and implementation of culturally sensitive assessment and diagnostic tools for use in tribal and urban Indian communities. Such materials shall be developed through the tribal consultation process.

"(b) The Secretary shall—

"(1) convene a FAS/FAE Task Force, composed of representatives from the National Institute on Drug Abuse, the National Institute on Alcohol and Alcoholism, the Office of Substance Abuse Prevention, the National Institute of Mental Health, the Service, the Office of Minority Health of the Department of Health and Human Services, the Administration for Native Americans, the Bureau of Indian Affairs, Indian tribes, tribal organizations, urban Indian communities, and Indian FAS/FAE experts to examine the needs of Indian tribes and Indian communities and available Federal resources; and

"(2) develop an annual plan for the prevention, intervention, treatment and aftercare for those affected by FAS and FAE in Indian communities.

"(c) The Secretary shall make grants to Indian tribes, tribal organizations, universities working with Indian tribes on cooperative projects, and urban Indian organizations for applied research projects which propose to elevate the understanding of methods to prevent, intervene, treat, or provide aftercare for persons affected by FAS or FAE.

"REPORT

"SEC. 709. (a) The Secretary shall, not later than March 31 of each fiscal year, transmit a report to the Congress on the status of FAS and FAE in the Indian population. Such report shall include the following:

"(1) The progress of implementing a uniform assessment and diagnostic methodology in Service and tribally based service delivery systems.

"(2) The incidence of FAS and FAE babies born for all births by reservation and urban-based sites.

"(3) The prevalence of FAS and FAE affected Indian persons in Indian communities, their primary means of support, and recommendations to improve the support system for these individuals and their families or caretakers.

"(4) The level of support received from the entities specified in section 710(b) in the area of FAS and FAE.

"(5) The number of inpatient and outpatient substance abuse treatment resources which are specifically geared to meet the unique needs of Indian women, and the volume of care provided to Indian women through these means.

"(6) Recommendations regarding the prevention, intervention, and appropriate vocational, educational and other support services for FAS and FAE affected individuals in Indian communities.

"(b) The Secretary may contract the production of this report to a national organization specifically addressing FAS and FAE in Indian communities.

"ADOLESCENT AND ADULT FETAL ALCOHOL SYNDROME AND FETAL ALCOHOL EFFECT

"SEC. 710. The Secretary, acting through the Service, shall conduct a study of the special educational, vocational, school-to-work transition, and independent living needs of adolescent and adult Indians and Alaska Natives with FAS or FAE. In carrying out this section, the Secretary is authorized to enter into a contract or other agreement with any organization, entity, or institution of higher education with significant knowledge of FAS and FAE and Indian communities.

"CLEARINGHOUSE

"SEC. 711. (a) The Secretary, acting through the Service, shall establish a national clearinghouse for prevention and educational materials and other information on fetal alcohol syndrome and fetal alcohol effect in Indian and Alaska Native communities.

"(b) The Secretary shall ensure access to all clearinghouse materials by any Indian tribe or urban Indian organization to assist in the development of culturally sensitive education and training materials and to assist in community education and prevention of fetal alcohol syndrome and fetal alcohol effect in Indian and Alaska Native communities.

"INDIAN WOMEN TREATMENT PROGRAMS

"SEC. 712. (a) The Secretary may make grants to Indian tribes and tribal organizations to develop and implement a comprehensive program of prevention, intervention, treatment, and relapse prevention services that specifically addresses the cultural, historical, social and child care needs of Indian women, regardless of age.

"(b) Grants made pursuant to this section may be used to—

"(1) develop and provide community training, education, and prevention programs for Indian women relating to alcohol and substance abuse issues, including fetal alcohol syndrome and fetal alcohol effect;

"(2) identify and provide appropriate counseling, advocacy, support, and relapse prevention to Indian women and their families; and

"(3) develop prevention and intervention models for Indian women which incorporate traditional healers, cultural values, and community and family involvement.

"(c) The Secretary shall establish criteria for the review and approval of applications for grants under this section.

"(d) Twenty percent of the funds appropriated to carry out this section shall be used to make grants to urban Indian organizations funded under title V.

"SUBSTANCE ABUSE COUNSELOR EDUCATION DEMONSTRATION PROJECT

"SEC. 713. (a) The Secretary, acting through the Service, may enter into contracts with, or make grants to colleges, universities, and tribally controlled community colleges as defined in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801 et seq.) to establish demonstration projects to develop educational curricula for substance abuse counseling.

"(b) Funds provided under this section shall be used only for developing and providing educational curricula for substance abuse counseling (including paying salaries for instructors).

"(c) Not later than 180 days after the date of the enactment of this section, the Secretary, after consultation with colleges, universities, and with Indian tribes and administrators of tribally controlled community colleges, shall develop and issue criteria for the review and approval of applications for funding under this section. Such criteria shall ensure that demonstration projects established under this section promote the development of the capacity of colleges, universities, and tribally controlled community colleges to educate substance abuse counselors.

"(d) The Secretary shall provide such technical and other assistance as may be necessary to enable grant recipients to comply with the provisions of this section.

"(e) The Secretary shall submit to the President, for inclusion in the report which is required to be submitted under section 801 for fiscal year 1999, a report on the findings and conclusions derived from the demonstration projects conducted under this section, together with legislative recommendations.

"(f) For the purposes of this section, the term "educational curriculum" means one or more of the following:

"(1) Classroom education.

"(2) Clinical work experience.

"(3) Continuing education workshops.

"INDIAN HEALTH SERVICE RESPONSIBILITIES

"SEC. 714. The Memorandum of Agreement entered into pursuant to section 4205 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2411) shall include specific provisions pursuant to which the Service shall assume responsibility for—

"(1) the determination of the scope of the problem of alcohol and substance abuse among Indian people, including the number of Indians within the jurisdiction of the Service who are directly or indirectly affected by alcohol and substance abuse and the financial and human cost;

"(2) an assessment of the existing and needed resources necessary for the prevention of alcohol and substance abuse and the treatment of Indians affected by alcohol and substance abuse; and

"(3) an estimate of the funding necessary to adequately support a program of prevention of alcohol and substance abuse and treatment of Indians affected by alcohol and substance abuse.

"INDIAN HEALTH SERVICE PROGRAM

"SEC. 715. (a) The Secretary, acting through the Service, shall provide a program of comprehensive alcohol and substance abuse prevention and treatment which shall include—

"(1) prevention, through educational intervention, in Indian communities,

"(2) acute detoxification and treatment,

"(3) community-based rehabilitation,

"(4) community education and involvement, including extensive training of health care, educational, and community-based personnel,

"(5) residential treatment programs for pregnant and post partum women and their children, and

"(6) relapse prevention services, including group homes.

The target population of such a program shall be the members of Indian tribes. Additionally, efforts to train and educate key members of the Indian community shall target employees of health, education, judicial, law enforcement, legal, and social service programs.

"(b)(1) The Secretary, acting through the Service, may enter into contracts with public or private providers of alcohol and substance abuse treatment services for the purpose of assisting the Service in carrying out the program required under subsection (a).

"(2) In carrying out this subsection, the Secretary shall provide assistance to Indian tribes to—

"(A) develop criteria for the certification of alcohol and substance abuse service providers;

"(B) facilitate access to off-campus substance abuse degree programs; and

"(C) facilitate accreditation of service facilities that meet minimum standards for such services and facilities as may be determined pursuant to section 4205(a)(3) of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2411(a)(3)).

"INDIAN HEALTH SERVICE YOUTH PROGRAM

"SEC. 716. (a) The Secretary shall develop and implement a program for acute detoxification and treatment for Indian youth who are alcohol and substance abusers. The program shall include regional treatment centers designed to include detoxification and rehabilitation for both sexes on a referral basis. These regional centers shall be integrated with the intake and rehabilitation programs based in the referring Indian community.

"(b)(1) The Secretary shall construct or renovate, and appropriately staff and operate, a youth regional treatment center in each area under the jurisdiction of an area office. For the purposes of this subsection, the area offices of the Service in Tucson and Phoenix, Arizona, shall be considered one area office and the area office in California shall be considered to be two area offices, one office whose jurisdiction shall be considered to encompass the northern area of the State of California, and one office whose jurisdiction shall be considered to encompass the remainder of the State of California.

"(2) For the purpose of staffing and operating such centers or facilities, funding shall be pursuant to the Act of November 2, 1921 (25 U.S.C. 13).

"(3) Notwithstanding any other provision of this title, the Secretary may, from amounts authorized to be appropriated for the purposes of carrying out this section, make funds available to the Tanana Chiefs Conference, Incorporated, for the purpose of leasing, constructing, renovating, operating and maintaining a residential youth treatment facility in Fairbanks, Alaska.

"(4) A youth treatment center constructed or purchased under this subsection shall be constructed or purchased at a location within the area described in paragraph (1) agreed upon (by appropriate tribal resolution) by a majority of the tribes to be served by such center.

"(c)(1) The Secretary, acting through the Service, shall, in consultation with Indian tribes—

"(A) identify and use, where appropriate, federally owned structures suitable as local residential or regional alcohol and substance abuse treatment centers for Indian youth; and

"(B) establish guidelines for determining the suitability of any such federally owned structure to be used as a local residential or regional alcohol and substance abuse treatment center for Indian youth.

"(2) Any structure described in paragraph (1) may be used under such terms and conditions as may be agreed upon by the Secretary and the agency having responsibility for the structure.

"(d)(1) The Secretary, in cooperation with the Secretary of the Interior, shall develop

and implement within each Service service unit community-based rehabilitation and followup services for Indian youth who are alcohol or substance abusers which are designed to integrate long-term treatment and to monitor and support the Indian youth after their return to their home community.

"(2) Services under paragraph (1) shall be administered within each service unit by trained staff within the community who can assist the Indian youth in continuing development of self-image, positive problem-solving skills, and nonalcohol or substance abusing behaviors. Such staff shall include alcohol and substance abuse counselors, mental health professionals, and other health professionals and paraprofessionals, including community health representatives.

"(e) In providing the treatment and other services to Indian youth authorized by this section, the Secretary shall provide for the inclusion of family members of such youth in the treatment programs or other services as may be appropriate. Not less than 10 percent of the funds appropriated for the purposes of carrying out subsection (d) shall be used for outpatient care of adult family members related to the treatment of an Indian youth under that subsection.

"(f)(1) The Secretary shall conduct a study to determine the incidence and prevalence of the abuse of multiple forms of drugs, including alcohol, among Indian youth residing on Indian reservations and in urban areas and the interrelationship of such abuse with the incidence of mental illness among such youth.

"(2) The Secretary shall submit a report detailing the findings of such study, together with recommendations based on such findings, to the Congress no later than two years after the date of the enactment of this section.

"TRAINING AND COMMUNITY EDUCATION

"SEC. 717. (a) The Secretary, in cooperation with the Secretary of the Interior, shall develop and implement within each service unit a program of community education, including off-campus degree studies, and community involvement which shall be designed to provide concise and timely information to the community leadership of each tribal community. Such program shall include education in alcohol and substance abuse to political leaders, tribal judges, law enforcement personnel, members of tribal health and education boards, and other critical members of each tribal community.

"(b) The Secretary shall, either directly or by contract, provide instruction in the area of alcohol and substance abuse, including instruction in prevention, relapse prevention services, crisis intervention, and family relations in the context of alcohol and substance abuse, youth alcohol and substance abuse, and the causes and effects of fetal alcohol syndrome to appropriate employees of the Bureau of Indian Affairs and the Service, and to personnel in schools or programs operated under any contract with the Bureau of Indian Affairs or the Service, including supervisors of emergency shelters and halfway houses described in section 4213 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2433).

"(c) In carrying out the education and training programs required by this section, the Secretary, acting through the Service and in consultation with tribes and Indian alcohol and substance abuse prevention experts, shall develop and provide community-based training models. Such models shall address—

"(1) the elevated risk of alcohol and substance abuse faced by children of alcoholics;

"(2) the cultural and multigenerational aspects of alcohol and substance abuse prevention and recovery; and

"(3) community-based and multidisciplinary strategies for preventing and treating alcohol and substance abuse.

"REPORTS

"SEC. 718. (a) The Secretary, with respect to the administration of any health program by a Service service unit, directly or through contract, including a contract under the Indian Self-Determination and Education Assistance Act, shall require the compilation of data relating to the number of cases or incidents which any of the Service personnel or services were involved and which were related, either directly or indirectly, to alcohol or substance abuse. Such report shall include the type of assistance provided and the disposition of these cases.

"(b) The data compiled under subsection (a) shall be provided annually to the affected Indian tribe and Tribal Coordinating Committee to assist them in developing or modifying a Tribal Action Plan under section 4206 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2471 et seq.).

"(c) Each service unit director shall be responsible for assembling the data compiled under this section and section 4214 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2434) into an annual tribal comprehensive report. Such report shall be provided to the affected tribe and to the Director of the Service who shall develop and publish a biennial national report based on such tribal comprehensive reports.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 719. Except as provided in sections 701, 706, and 713, there are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

(b) REDESIGNATION AND REPEAL OF EXISTING PROVISIONS.—

(1) REDESIGNATION.—The Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2401 et seq.) is amended by redesignating section 4224 as section 4208A.

(2) REPEAL.—Part 6 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2471 et seq.), as amended by paragraph (1), is repealed.

TITLE VIII—MISCELLANEOUS

SEC. 801. REPORTS.

Section 801 of the Act (25 U.S.C. 1671) (as redesignated by section 701(b) of this Act) is amended to read as follows:

"REPORTS

"SEC. 801. The President shall, at the time the budget is submitted under section 1105 of title 31, United States Code, for each fiscal year transmit to the Congress a report containing—

"(1) a report on the progress made in meeting the objectives of this Act, including a review of programs established or assisted pursuant to this Act and an assessment and recommendations of additional programs or additional assistance necessary to, at a minimum, provide health services to Indians, and ensure a health status for Indians, which are at a parity with the health services available to and the health status of, the general population;

"(2) a separate statement which specifies the amount of funds requested to carry out the provisions of section 201;

"(3) a separate statement of the total amount obligated or expended in the most recently completed fiscal year to achieve each of the objectives described in section 814, relating to infant and maternal mortality and fetal alcohol syndrome;

"(4) reports required pursuant to sections 3(b), 108(n), 203(b), 209(k), 301(c), 302(g), 403, and 817(a);

"(5) for fiscal year 1997, the interim report required pursuant to section 307(h)(1);

"(6) for fiscal year 1999, the report required pursuant to section 307(h)(2); and

"(7) a report on whether, and to what extent, new health care programs, benefits, initiatives, or financing systems have had an impact on the purposes of this Act, and any steps that the Secretary may have taken to consult with Indian tribes to address such impact.".

SEC. 802. REGULATIONS.

Section 802 of the Act (25 U.S.C. 1672) (as redesignated by section 701(b) of this Act) is amended to read as follows:

"SEC. 802. Prior to any revision of or amendment to rules or regulations promulgated pursuant to this Act, the Secretary shall consult with Indian tribes and appropriate national or regional Indian organizations and shall publish any proposed revision or amendment in the Federal Register not less than sixty days prior to the effective date of such revision or amendment in order to provide adequate notice to, and receive comments from, other interested parties.".

SEC. 803. EXTENSION OF TREATMENT OF ARIZONA AS A CONTRACT HEALTH SERVICE DELIVERY AREA.

Section 808 of the Act (25 U.S.C. 1678) (as redesignated by section 701(b) of this Act) is amended by striking "1991" and inserting "2000".

SEC. 804. INFANT AND MATERNAL MORTALITY; FETAL ALCOHOL SYNDROME.

Section 814 of the Act (25 U.S.C. 1680d) (as redesignated by section 701(b) of this Act) is amended—

(1) by striking "(a)"; and

(2) by striking subsection (b).

SEC. 805. REALLOCATION OF BASE RESOURCES.

Section 817(a) of the Act (25 U.S.C. 1680(g)) (as redesignated by section 701(b) of this Act) is amended by striking "Secretary has submitted to the Congress" and inserting "Secretary has submitted to the President, for inclusion in the report required to be transmitted to the Congress under section 801,".

SEC. 806. CHILD SEXUAL ABUSE TREATMENT PROGRAMS.

Section 819 of the Act (25 U.S.C. 1680i) (as redesignated by section 701(b) of this Act) is amended to read as follows:

"SEC. 819. (a) The Secretary and the Secretary of the Interior shall, for each fiscal year through fiscal year 1995, continue the demonstration programs involving treatment for child sexual abuse provided through the Hopi Tribe and the Asiniboine and Sioux Tribes of the Fort Peck Reservation, and shall encourage the development of demonstration programs in other tribes.

"(b) Beginning October 1, 1995, the Secretary and the Secretary of the Interior may establish, in any service area, demonstration programs involving treatment for child sexual abuse, except that the Secretaries may not establish a greater number of such programs in one service area than in any other service area until there is an equal number of such programs established with respect to all service areas.".

SEC. 807. TRIBAL LEASING.

Section 820 of the Act (25 U.S.C. 1680j) (as redesignated by section 701(b) of this Act) is amended to read as follows:

"TRIBAL LEASING

"SEC. 820. Indian tribes providing health care services pursuant to a contract entered into under the Indian Self-Determination Act may lease permanent structures for the purpose of providing such health care services without obtaining advance approval in appropriation Acts.".

SEC. 808. EXTENSION OF TRIBAL MANAGEMENT DEMONSTRATION PROJECT TERMINATION DATE IN CERTAIN CASES.

Section 818 of the Act (25 U.S.C. 1680h) (as redesignated by section 701(b) of this Act) is amended—

(1) in subsection (d)(1), by inserting before the period at the end the following: ", or, in the case of a demonstration project for which a grant is made after September 30, 1990, three years after the date on which such grant is made"; and

(2) in subsection (d)(2), by striking "1994" and inserting "1996".

SEC. 809. LONG-TERM CARE DEMONSTRATION PROJECT.

Title VIII of the Act (as redesignated by subsections (a) and (b) of section 701 of this Act) is amended by adding at the end the following new section:

"LONG-TERM CARE DEMONSTRATION PROJECT

"SEC. 821. (a) The Secretary, acting through the Service, is authorized to enter into contracts with, or make grants to, Indian tribes or tribal organizations providing health care services pursuant to a contract entered into under the Indian Self-Determination Act, to establish demonstration projects for the delivery of home- and community-based services to functionally disabled Indians.

"(b)(1) Funds provided for a demonstration project under this section shall be used only for the delivery of home- and community-based services (including transportation services) to functionally disabled Indians.

"(2) Such funds may not be used—

"(A) to make cash payments to functionally disabled Indians;

"(B) to provide room and board for functionally disabled Indians;

"(C) for the construction or renovation of facilities or the purchase of medical equipment; or

"(D) for the provision of nursing facility services.

"(c) Not later than 180 days after the date of the enactment of this section, the Secretary, after consultation with Indian tribes and tribal organizations, shall develop and issue criteria for the approval of applications submitted under this section. Such criteria shall ensure that demonstration projects established under this section promote the development of the capacity of tribes and tribal organizations to deliver, or arrange for the delivery of, high quality, culturally appropriate home- and community-based services to functionally disabled Indians.

"(d) The Secretary shall provide such technical and other assistance as may be necessary to enable applicants to comply with the provisions of this section.

"(e) At the discretion of the tribe or tribal organization, services provided under a demonstration project established under this section may be provided (on a cost basis) to persons otherwise ineligible for the health care benefits of the Service.

"(f) The Secretary shall establish not more than 24 demonstration projects under this section. The Secretary may not establish a greater number of demonstration projects under this section in one service area than in any other service area until there is an equal number of such demonstration projects established with respect to all service areas from which the Secretary receives applications during the application period (as determined by the Secretary) which meet the criteria issued pursuant to subsection (c).

"(g) The Secretary shall submit to the President, for inclusion in the report which is required to be submitted under section 801 for fiscal year 1999, a report on the findings and conclusions derived from the demonstration projects conducted under this section, together with legislative recommendations.

"(h) The Secretary is authorized to enter into a shared services agreement with a health facility operated by a tribe or tribal organization that receives assistance under this section and that provides long-term care to older Indians. The Secretary, acting through the Service, shall place conditions and terms on such shared services agreements necessary to carry out this section. At the request of the tribe or tribal organization, the Secretary shall delegate to the tribe or tribal organizations powers of supervision and control over such local service employees as are necessary to carry out this section. For the purpose of this subsection, the term 'shared services agreement' means a contractual agreement between the Service and an Indian tribe or tribal organization whereby the Service agrees to share staff and other services with a health facility operated by such Indian tribe or tribal organization. Salaries for such staff and payments for such services shall be proportionately allocable to the service facility and health facility pursuant to such agreement.

"(i) For the purposes of this section, the following definitions shall apply:

"(1) The term 'home- and community-based services' means one or more of the following:

"(A) Homemaker/home health aide services.

"(B) Chore services.

"(C) Personal care services.

"(D) Nursing care services provided outside of a nursing facility by, or under the supervision of, a registered nurse.

"(E) Respite care.

"(F) Training for family members in managing a functionally disabled individual.

"(G) Adult day care.

"(H) Such other home- and community-based services as the Secretary may approve.

"(2) The term 'functionally disabled' means an individual who is determined to require home- and community-based services based on an assessment that uses criteria (including, at the discretion of the tribe or tribal organization, activities of daily living) developed by the tribe or tribal organization.

"(j) There are authorized to be appropriated for each of the fiscal years 1993, 1994, 1995, 1996, and 1997 such sums as are necessary to carry out this section. Such sums shall remain available until expended.".

SEC. 810. RESULTS OF DEMONSTRATION PROJECTS.

Title VIII of the Act (as redesignated by subsections (a) and (b) of section 701) and amended by section 809 of this Act) is amended by adding at the end the following new section:

"RESULTS OF DEMONSTRATION PROJECTS

"SEC. 822. The Secretary shall provide for the dissemination to Indian tribes of the findings and results of demonstration projects conducted under this Act.".

SEC. 811. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Title VIII of the Act, as amended by section 810, is further amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 823. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each fiscal year thereafter through fiscal year 2000 to carry out this title.".

(b) CONFORMING AMENDMENTS.—Title VIII of the Act (25 U.S.C. 1671 et seq.) (as redesignated by subsections (a) and (b) of section 701 of this Act) is amended—

(1) in section 807 (as redesignated by section 701(b) of this Act), by striking subsection (f); and

(2) in section 818 (as redesignated by section 701(b) of this Act), by striking subsection (e).

SEC. 812. TRIBAL SELF-GOVERNANCE PROJECT.

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) is amended—

(1) in section 301, by inserting after "Interior" the following: "and the Secretary of Health and Human Services (hereafter in this title referred to as the 'Secretaries') each";

(2) in sections 302, 303, 304, and 305, by striking "Secretary" each place it appears and inserting in lieu thereof "Secretaries";

(3) in section 303(a)(1), by inserting after "Interior" the following: "and the Indian Health Service of the Department of Health and Human Services"; and

(4) by adding after section 309 the following new section:

"SEC. 310. For the purposes of providing one year planning and negotiations grants to the Indian tribes identified by section 302, with respect to the programs, activities, functions or services of the Indian Health Service, there are authorized to be appropriated such sums as may be necessary to carry out such purposes. Upon completion of the authorized planning activity or a comparable planning activity by a tribe, the Secretary is authorized to negotiate and implement a Compact of Self-Governance and Annual Funding Agreement with such tribe.".

SEC. 813. WAIVER OF PAPERWORK REDUCTION.

Title VIII of the Act, as redesignated by section 701(a), is amended by adding at the end the following new section:

"WAIVER OF PAPERWORK REDUCTION

"SEC. 824. (a) Chapter 35 of title 44, United States Code, shall not apply to information required to carry out any study or survey authorized or required by this Act.".

SEC. 814. JOINT VENTURE DEMONSTRATION PROJECTS.

Section 818 of the Act (25 U.S.C. 1680h) (as redesignated by section 701(b) and amended by section 811(b)(2) of this Act) is amended by adding after subsection (d) the following new subsection:

"(e)(1) The Secretary, acting through the Service, shall make arrangements with Indian tribes to establish joint venture demonstration projects under which an Indian tribe shall expend tribal, private, or other available nontribal funds, for the acquisition or construction of a health facility for a minimum of 20 years, under a no-cost lease, in exchange for agreement by the Service to provide the equipment, supplies, and staffing for the operation and maintenance of such a health facility. A tribe may utilize tribal funds, private sector, or other available resources, including loan guarantees, to fulfill its commitment under this subsection.

"(2) The Secretary shall make such an arrangement with an Indian tribe only if the Secretary first determines that the Indian tribe has the administrative and financial capabilities necessary to complete the time-

ly acquisition or construction of the health facility described in paragraph (1).

"(3) An Indian tribe or tribal organization that has entered into a written agreement with the Secretary under this subsection, and that breaches or terminates without cause such agreement, shall be liable to the United States for the amount that has been paid to the tribe, or paid to a third party on the tribe's behalf, under the agreement. The Secretary has the right to recover tangible property (including supplies), and equipment, less depreciation, and any funds expended for operations and maintenance under this section. The preceding sentence does not apply to any funds expended for the delivery of health care services, or for personnel or staffing, shall be recoverable.".

SEC. 815. DEMONSTRATION OF ELECTRONIC DATA SUBMISSION.

Title VIII of the Act, as redesignated by section 701(a) and amended by section 813 of this Act, is further amended by adding at the end the following new section:

"DEMONSTRATION OF ELECTRONIC DATA SUBMISSION

"SEC. 825. (a) The Secretary shall develop and implement 2 projects to demonstrate in a pilot setting how current telecommunications and computer processing technology can be used to improve the turnaround, accuracy, and effectiveness of the information exchange between Indian Health Service health centers, private Contract Health Service providers, the Indian Health Service Area office and the Indian Health Service Fiscal Intermediary.

"(b) The Secretary shall conduct one of the projects authorized in subsection (a) in the Service area served by the Indian Health Service Area office located in Phoenix, Arizona.

"(c) EFFECTIVE DATE.—The projects described in subsection (a) shall be established effective June 15, 1993, and may involve the awarding of an outside contract.".

SEC. 816. LAND TRANSFER.

The Bureau of Indian Affairs is authorized to transfer, at no cost, up to 5 acres of land at the Chemawa Indian School, Salem, Oregon, to the Indian Health Service for the provision of health care services. The land authorized to be transferred by this section is that land adjacent to land under the jurisdiction of the Indian Health Service and occupied by the Chemawa Indian Health Center.

SEC. 817. LEASES WITH INDIAN TRIBES.

Section 804 of the Indian Health Care Improvement Act (25 U.S.C. 1674), as redesignated by section 701(b) of this Act, is amended to read as follows:

"SEC. 804. (a) Notwithstanding any other provision of law, the Secretary shall, in carrying out the purposes of this Act, enter into leases with Indian tribes and tribal organizations for periods not in excess of twenty years. Property leased by the Secretary from a Indian tribe or tribal organization may be reconstructed or renovated by the Secretary pursuant to an agreement with such Indian tribe.

"(b) The Secretary, upon request of an Indian tribe or tribal organization, shall enter into leases, contracts, and other legal agreements with Indian tribes or tribal organizations which hold—

"(1) title to;

"(2) a leasehold interest in; or

"(3) a beneficial interest in (where title is held by the United States in trust for the benefit of the tribe);

facilities reasonably necessary for the administration and delivery of health services by the Service or by programs operated by Indian tribes or tribal organizations to compensate such Indian tribes or tribal organizations for costs associated with the use of such facilities for such purposes. Such costs include rent, depreciation based on the useful life of the building, principal and interest paid or accrued, operation and maintenance expenses, and other expenses determined by regulation to be allowable, based on the reasonable rental costs of comparable premises in the community where such facilities are located. Leases, contracts, and other legal agreements with Indian tribes or tribal organizations operating contracts under the Indian Self-Determination and Education Assistance Act, Public Law 93-683, shall be in lieu of charges for space used in the performance of such contract which are otherwise funded through direct or indirect costs under such contracts.".

SEC. 818. OFFICE OF INDIAN WOMEN'S HEALTH CARE.

(a) ESTABLISHMENT.—There is established in the Indian Health Service (hereafter referred to in this section as the "Service") an Office of Indian Women's Health Care (hereafter referred to in this section as the "Office").

(b) PURPOSE.—

(1) IN GENERAL.—The Office shall oversee efforts of the Service to monitor and improve the quality of health care for Indian women of all ages through the planning and delivery of programs administered by the Service, in order to improve and enhance the treatment models of care for Indian women.

(2) IN PARTICULAR.—In particular, the Office shall have the following purposes:

(A) To update all basic service information systems to include the collection and analysis of data pertinent to documenting the level and quality of health care being received by Indian women through the Service and related contractors.

(B) To review any proposed studies by the Service to ensure that Indian women are appropriately included in the scope of such studies.

(C) To establish and maintain an Indian women's health agenda, which shall—

(i) include the identification of priority areas of service;

(ii) incorporate existing efforts to identify such priority areas, for example, the Indian Women's Task Force and Round Table Conference held in Tucson, Arizona, in 1991;

(iii) ensure that the priority areas identified become an integral part of the planning and evaluation processes for all Service delivery systems;

(iv) form the basis for plans and annual budget requests to implement services, equipment, personnel, and other changes necessary to improve the delivery of health services to Indian women; and

(v) reflect the participation and views of Service beneficiaries.

(D) To allow for differences in priorities by Area offices, making maximum utilization of Area office capabilities and facilities.

(E) To recommend ways to obtain and coordinate additional government, tribal, and private resources to accomplish the plans developed pursuant to subparagraph (C)(iv).

(F) To include the findings, recommendations, agenda, plans, and other relevant information compiled by the Office in the annual reports submitted by the Service to the Congress.

(G) To conduct such other activities as may be necessary to carry out the overall purpose of the Office.

(c) DEFINITION.—For the purpose of this section, the term "Area office" has the meaning given the term in section 4(i) of the Indian Health Care Improvement Act (25 U.S.C. 1603(i)).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 819. HEALTH PROFESSIONAL PRIORITIES IN RELATED PROGRAM.

Section 333A(a) of the Public Health Service Act (42 U.S.C. 254f-1(a)) is amended—

(1) in paragraph (2), by striking "and" after the semicolon at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following paragraph:

"(4) subject to paragraphs (1) through (3), give priority to meeting the needs of the Indian Health Service and the needs of health programs or facilities operated by tribes or tribal organizations under the Indian Self-Determination and Education Assistance Act, except to the extent not practicable.".

SEC. 820. PRIORITY FOR INDIAN RESERVATIONS.

(a) PRIORITY.—On and after the date of the enactment of this Act, the Bureau of Indian Affairs, Department of the Interior, and the Indian Health Service, Department of Health and Human Services, shall, in all matters involving the reorganization or development of service facilities, or in the establishment of related employment projects to address the unemployment conditions in economically depressed areas, give a priority to locating such facilities and projects on Indian lands.

(b) DEFINITION.—As used in this section, the term "Indian lands" means—

(1) all lands within the limits of any Indian reservation; and

(2) any lands title which is held in trust by the United States for the benefit of any Indian tribe or individual Indian, or held by any Indian tribe or individual Indian subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

TITLE IX—TECHNICAL CORRECTIONS

SEC. 901. REPEAL OF EXPIRED REPORTING REQUIREMENTS.

The Act is amended—

(1) in section 116, by striking subsection (d);

(2) in section 204(a)—

(A) by striking paragraph (2);

(B) by striking "(a)(1)" and inserting "(a)";

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

(D) in paragraph (2) (as redesignated by this subsection), by striking "subparagraph (A)" and inserting "paragraph (1)";

(3) in section 602, by striking subsection (a)(3); and

(4) by striking section 803 (as redesignated by section 701(b) of this Act).

SEC. 902. OTHER TECHNICAL CORRECTIONS.

The Act is amended—

(1) in section 4(c), by striking "sections 102, 103, and 201(c)(5)," and inserting "sections 102 and 103,";

(2) in title I—

(A) in section 102(b)(1), by striking ": *Provided*, That the" and inserting ". The";

(B) in section 105(c), by striking "Department of Health, Education, and Welfare" and inserting "Department of Health and Human Services"; and

(C) in section 108(d)(1)(A), by striking "Indian Health" and inserting "Indian health";

(3) in title II—

(A) by striking **"SEC. 209. MENTAL HEALTH PREVENTION AND TREATMENT SERVICES."** and inserting the following:

"MENTAL HEALTH PREVENTION AND TREATMENT SERVICES

"SEC. 209."; and

(B) in section 209, by redesignating subsections (c) through (l) as subsections (b) through (k), respectively;

(4) in title III—

(A) by striking **"SEC. 307. INDIAN HEALTH CARE DELIVERY DEMONSTRATION PROJECT"** and inserting the following:

"INDIAN HEALTH CARE DELIVERY DEMONSTRATION PROJECT

"SEC. 307."; and

(B) in section 301(d) (as redesignated by section 301(2) of this Act), by striking "sections 102 and 103(b)" and inserting "section 102";

(5) in title V—

(A) by striking **"SEC. 409. FACILITIES RENOVATION."** and inserting the following:

"FACILITIES RENOVATION

"SEC. 509."; and

(B) by striking **"SEC. 511. URBAN HEALTH PROGRAMS BRANCH."** and inserting the following:

"URBAN HEALTH PROGRAMS BRANCH

"SEC. 510.";

(6) in section 601(c)(3)(D), by striking "(25 U.S.C. 2005, et seq.)" and inserting "(42 U.S.C. 2005 et seq.)";

(7) in section 601(d)(1)(C), by striking "appropriate" and inserting "appropriated";

(8) in section 813(b)(2)(A) of the Act (25 U.S.C. 1680c(b)(2)(A)) (as redesignated by section 701(b) of this Act), by striking "section 402(c)" and inserting "section 402(a)"; and

(9) by amending the heading for section 816 of the Act (25 U.S.C. 1680f) (as redesignated by section 701(b)) to read as follows:

"INDIAN HEALTH SERVICE AND DEPARTMENT OF VETERANS AFFAIRS HEALTH FACILITIES AND SERVICES SHARING".

CHILD SUPPORT RECOVERY ACT

The text of the bill (S. 1002) to impose a criminal penalty for flight to avoid payment of arrearages in child support, as passed by the Senate on September 18, 1992, is as follows:

S.1002

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 "Child Support Recovery Act of 1992".

SEC. 2. FAILURE TO PAY LEGAL CHILD SUPPORT OBLIGATIONS.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 11 the following new chapter:

"CHAPTER 11A—CHILD SUPPORT

"Sec.

"228. Failure to pay legal child support obligations.

"§ 228. Failure to pay legal child support obligations

"(a) OFFENSE.—Whoever willfully fails to pay a past due support obligation with respect to a child who resides in another State shall be punished as provided in subsection (b).

"(b) PUNISHMENT.—The punishment for an offense under this section is—

"(1) in the case of a first offense under this section, a fine under this title, imprisonment for not more than 6 months, or both; and

"(2) in any other case, a fine under this title, imprisonment for not more than 2 years, or both.

"(c) RESTITUTION.—Upon a conviction under this section, the court shall order restitution under section 3663 in an amount equal to the past due support obligation as it exists at the time of sentencing.

"(d) DEFINITIONS.—As used in this section—

"(1) the term 'past due support obligation' means any amount—

"(A) determined under a court order or an order of an administrative process pursuant to the law of a State to be due from a person for the support and maintenance of a child or of a child and the parent with whom the child is living; and

"(B) that has remained unpaid for a period longer than 180 days, or is greater than $2,500; and

"(2) the term 'State' includes the District of Columbia, and any other possession or territory of the United States.".

(b) TECHNICAL AMENDMENT.—The part analysis for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 11 the following new item:

"11A. Child support ..... 228".

SEC. 3. DISCRETIONARY CONDITION OF PROBATION.

Section 3563(b) of title 18, United States Code, is amended—

(1) by striking "or" at the end of paragraph (20);

(2) by redesignating paragraph (21) as paragraph (22); and

(3) by inserting after paragraph (20) the following new paragraph:

"(21) comply with the terms of any court order or order of an administrative process pursuant to the law of a State, the District of Columbia, or any other possession or territory of the United States, requiring payments by the defendant for the support and maintenance of a child or of a child and the parent with whom the child is living; or".

SEC. 4. COMMISSION ON CHILD AND FAMILY WELFARE.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on Child and Family Welfare (referred to in this section as the "Commission").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 15 members of whom—

(A) 5 shall be appointed by the President, in consultation with the Attorney General and the Secretary of Health and Human Services;

(B) 3 shall be appointed by the President pro tempore of the Senate;

(C) 2 shall be appointed by the minority leader of the Senate;

(D) 3 shall be appointed by the Speaker of the House of Representatives; and

(E) 2 shall be appointed by the minority leader of the House of Representatives.

(2) QUALIFICATIONS.—Members of the Commission shall be—

(A) persons who have expertise in family law, children's issues, mental health, and related policies;

(B) persons who have expertise, through research and practice, in laws and policies related to child and family welfare;

(C) persons who represent organizations that seek to protect the civil rights of children;

(D) persons who represent advocacy groups that work for the interests of children;

(E) persons who represent advocacy groups that work for the interests of both custodial and noncustodial parents; and

(F) persons who have conducted extensive research on, or delivered services to, children adversely affected by divorce.

(3) DATE.—The appointments of the members of the Commission shall be made no later than June 1, 1993.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) MEETINGS.—The Commission shall meet at the call of the Chairman.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a Chairman and Vice Chairman from among its members.

(h) DUTIES.—The Commission shall—

(1) compile information and data on the issues that affect the best interests of children, including domestic issues such as abuse, family relations, services and agencies for children and families, family courts and juvenile courts;

(2) compile a report that lists the strengths and weaknesses of the child welfare system as it relates to placement (including child custody and visitation), summarizes State laws and regulations relating to visitation, and makes recommendations for changing the system or developing a Federal role in strengthening the system;

(3) study the strengths and weaknesses of the juvenile and family courts as they relate to visitation, custody, and child support enforcement and suggest any recommendations for changing these systems; and

(4) study domestic issues that relate to the treatment and placement of children (such as child and spousal abuse) and suggest recommendations for any needed changes, including models for mediation and other programs.

(i) REPORT.—Not later than January 1, 1994, the Commission shall submit to the President and the Congress an interim report, and not later than January 1, 1995, a final report, which shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers to be appropriate.

(j) HEARINGS.—

(1) IN GENERAL.—Subject to paragraph (2), the Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this section.

(2) BROAD PUBLIC PARTICIPATION.—The Commission shall conduct hearings in various areas of the country, from the inner cities to the suburbs to rural areas, to gather a broad spectrum of information on the issues to be addressed. Parents, children, experts, religious leaders, and public and private agency officials shall be afforded the opportunity to give testimony at such hearings.

(k) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(l) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(m) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(n) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(o) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of that title.

(p) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(q) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of that title.

(r) TERMINATION OF THE COMMISSION.—(1) The Commission shall terminate 90 days after the date on which the Commission submits its final report under subsection (i).

(2) Any funds held by the Commission on the date of termination of the Commission shall be deposited in the general fund of the Treasury of the United States and credited as miscellaneous receipts. Any property (other than funds) held by the Commission on that date shall be disposed of as excess or surplus property.

(s) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the Commission for fiscal years 1993 and 1994 such sums as are necessary to carry out this section.

(2) AVAILABILITY.—Any sums appropriated under the authorization contained in this subsection shall remain available, without fiscal year limitation, until expended.

WORLD WAR II 50TH ANNIVERSARY COMMEMORATIVE COINS ACT

The text of the bill (S. 3195) to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States' involvement in World War II, as passed by the Senate on September 18, 1992, is as follows:

S. 3195

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 "World War II 50th Anniversary Commemorative Coins Act".

SEC. 2. FINDINGS AND SENSE OF THE CONGRESS.

(a) FINDINGS.—The Congress finds that—

(1) the period of December 7, 1991, through September 2, 1995, will mark the 50th anniversary of the involvement of the United States in World War II;

(2) over 16,000,000 people served in the Armed Forces of the United States during that conflict;

(3) over 400,000 American men and women gave their lives in defense of freedom around the world during World War II;

(4) World War II fundamentally reshaped the international geopolitical landscape, as well as the economic, political, and cultural institutions of our Nation;

(5) the War involved a clear choice between democracy and tyranny and involved our Nation as a whole in a worldwide battle against the forces of fascism and oppression;

(6) the June 6, 1944, invasion of northern France, when in one day 176,000 Allied military personnel were landed on the beaches of Normandy, was one of World War II's most celebrated achievements;

(7) the "D-Day" invasion was the largest seaborne invasion in history, and the ensuing 76-day Battle of Normandy was one of the largest land battles in history;

(8) the Battle of Normandy was a key to the Allied forces' eventual liberation of Europe; and

(9) numerous organizations and individuals across the United States have expressed interest in or are engaged in efforts to draw attention to the 50th anniversary of World War II.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress—

(1) that the 50th anniversary of the involvement of the United States in World War II, the Battle of Normandy, and its other important battles should not go unrecognized at the national level;

(2) that the United States should recognize these anniversaries by minting and issuing coins to commemorate these anniversaries; and

(3) the minting of a United States coin to commemorate the Battle of Normandy and "D-Day" would be an appropriate concomitance to the commitment by the Republic of France that it will mint a French commemorative coin in recognition of the anniversary.

SEC. 3. WORLD WAR II COMMEMORATIVE COINS.

The Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall mint and issue coins in accordance with this Act to commemorate the 50th anniversary of the involvement of the United States in World War II.

SEC. 4. SPECIFICATIONS OF COINS.

(a) DENOMINATIONS.—The Secretary shall mint and issue the following coins:

(1) FIVE DOLLAR GOLD COINS.—Not more than 300,000 five dollar gold coins, each of which shall—

(A) weigh 8.359 grams;

(B) have a diameter of 0.850 inches; and

(C) be composed of 90 percent gold and 10 percent alloy.

(2) ONE DOLLAR SILVER COINS.—Not more than 1,000,000 one dollar silver coins, each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) be composed of 90 percent silver and 10 percent copper.

(3) HALF DOLLAR CLAD COINS.—Not more than 2,000,000 half dollar coins, each of which shall—

(A) weigh 11.34 grams;

(B) have a diameter of 1.205 inches; and

(C) be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

SEC. 5. SOURCES OF BULLION.

(a) GOLD.—The Secretary shall obtain gold for minting coins under this Act pursuant to the authority of the Secretary under existing law.

(b) SILVER.—The Secretary shall obtain silver for minting coins under this Act only from stockpiles established under the Strategic and Critical Minerals Stock Piling Act.

SEC. 6. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins authorized under this Act shall, in accordance with subsection (b), be symbolic of the participation of the United States in World War II. In addition, the design of the gold coin authorized under section 4(a)(1) shall be emblematic of the Allied victory in World War II, and the silver coin authorized under section 4(a)(2) shall be emblematic of the Battle of Normandy.

(2) DESIGNATIONS AND INSCRIPTIONS.—Each coin authorized under this Act shall bear a designation of the value of the coin, an inscription of the years "1991-1995", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum". In addition, the silver coin authorized under section 4(a)(2) may bear a designation of the date "June 6, 1944" and an inscription of the words "Battle of Normandy" or "D-Day Invasion".

(b) DESIGN COMPETITION.—The Secretary shall sponsor a nationwide open competition for the design of each coin authorized by this Act.

(c) SELECTION.—The design for each coin authorized by this Act shall be selected by the Secretary from the results of the design competition under subsection (b), after consultation with—

(1) representatives of veterans organizations of the United States whose membership includes veterans of World War II, including—

(A) the American Legion;

(B) the Veterans of Foreign Wars of the United States;

(C) AMVETS (American Veterans of World War II, Korea, and Vietnam); and

(D) the Disabled American Veterans; and

(2) in the case of the one dollar silver coin authorized under section 4(a)(2), the Battle

of Normandy Foundation and individuals designated by the Foundation from among individuals who are particularly knowledgeable, by reason of their education, training, or experience, about the history of World War II.

SEC. 7. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act may be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular combination of denomination and quality for the coins minted under this Act.

(c) COMMENCEMENT OF ISSUANCE.—The Secretary may issue the coins minted under this Act beginning on January 1, 1993.

(d) TERMINATION OF AUTHORITY.—Coins may not be minted under this Act after December 31, 1993.

(e) PROMOTION CONSULTATION FOR WORLD WAR II MEMORIAL.—The Secretary shall determine the role that the American Battle Monuments Commission (hereafter referred to as the "Commission") and any entity established by the Congress to assist the Commission in erecting a World War II memorial will have in the promotion, advertising, or marketing of coins authorized under this Act. This determination shall be made in consultation with the Commission and any other such entity. The Secretary may enter into a contract involving the promotion, advertising, or marketing of such coins with the Commission and such other entity if the Secretary determines that such a contract would be beneficial in the sale of the coins.

(f) PROMOTION CONSULTATION FOR NORMANDY MEMORIAL.—In consultation with the Battle of Normandy Foundation, the Secretary shall determine the role such entity shall have in the promotion, advertising, or marketing of the coins authorized under this Act. The Secretary shall enter into a contract involving the promotion, advertising, or marketing of such coins with the Foundation if the Secretary determines that such a contract would be beneficial in the sale of the coins.

SEC. 8. SALE OF COINS.

(a) IN GENERAL.—The Secretary shall sell coins minted under this Act at a price equal to the sum of the face value of the coins, the surcharge provided in subsection (d) with respect to such coins, and the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make any bulk sales of the coins minted under this Act at a reasonable discount to reflect the lower costs of such sales.

(c) PREPAID ORDERS.—The Secretary shall accept prepaid orders for the coins minted under this Act prior to the issuance of such coins. Sale prices with respect to such prepaid orders shall be at a reasonable discount.

(d) SURCHARGES.—All sales of coins minted under this Act shall include a surcharge of $35 per coin for the five dollar coins, $8 per coin for the one dollar coins, and $2 per coin for the half dollar coins.

SEC. 9. FINANCIAL ASSURANCES.

(a) NO NET COST TO GOVERNMENT.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this Act will not result in any net cost to the Federal Government.

(b) PAYMENT FOR COINS.—A coin shall not be issued under this Act unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Government.

SEC. 10. USE OF SURCHARGES.

(a) SPLIT OF SURCHARGES BETWEEN BATTLE OF NORMANDY MEMORIAL AND WORLD WAR II MEMORIAL.—Surcharges received from the sale of coins minted under this Act shall be distributed by the Secretary as follows:

(1) BATTLE OF NORMANDY FOUNDATION.—The first $3,000,000 received from the sale of coins shall be transferred to the Battle of Normandy Foundation and used to create, to endow, and to dedicate, on the 50th Anniversary of D-Day, a United States D-Day and Battle of Normandy Memorial in Normandy, France, adjacent to the largest World War II Museum in the world in Caen, France, and to encourage and support visits to the memorial by United States citizens, and especially students.

(2) AMERICAN BATTLE MONUMENTS COMMISSION.—The first $7,000,000 received from the sale of coins after the $3,000,000 referred to in paragraph (1) shall be deposited by the Secretary, subject to subsection (b)(2), in the fund established in the Treasury which is available to the American Battle Monuments Commission for the expenses incurred in establishing a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in World War II and to commemorate the participation of the United States in that war.

(3) DISTRIBUTION OF EXCESS.—Of the amounts received from the sale of coins in excess of $10,000,000—

(A) 30 percent shall be transferred to the Battle of Normandy Foundation and used in the manner provided in paragraph (1); and

(B) 70 percent shall be deposited by the Secretary, subject to subsection (b)(2), in the fund described in paragraph (2).

(b) USE OF FUNDS IF NOT USED FOR MEMORIAL.—

(1) BATTLE OF NORMANDY MEMORIAL.—Of the amounts received by the Battle of Normandy Foundation under this section, any amount in excess of the amount spent by the Foundation for the uses described in subsection (a)(1) shall be transferred to the Secretary for deposit in the account provided for in section 8(b)(1) of the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes" and approved November 14, 1986, in the same manner as provided by law for the World War II memorial described in subsection (a)(2).

(2) WORLD WAR II MEMORIAL.—If the World War II memorial described in subsection (a)(2) is not authorized by Congress by December 31, 1995, the amounts described in paragraphs (2) and (3)(B) of subsection (a) shall be deposited by the Secretary in the account described in paragraph (1) of this subsection.

(c) AUDITS.—The Comptroller General of the United States shall conduct an annual audit of any books, records, documents, and other data—

(1) belonging to the Battle of Normandy Foundation, the American Battle Monuments Commission, and any agency or organization which receives any amount from the fund described in subsection (a); and

(2) relating to the expenditure of any amount received under subsection (a) or from the fund,

until all amounts received by the foundation, commission, agency, or organization under subsection (a) or from the fund have been spent and the expenditure of such amounts has been audited.

SEC. 11. REPORT TO CONGRESS.

Not later than March 31, 1994, the Secretary shall submit to the Congress a report regarding the activities carried out under this Act.

SEC. 12. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act relating to the minting or selling of the coins authorized by this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 13. COINAGE PROFIT FUND.

(a) DEPOSITS.—All amounts received from the sale of coins issued under this Act shall be deposited in the coinage profit fund.

(b) PAYMENTS.—The Secretary shall pay the amounts authorized under section 10 from the coinage profit fund.

(c) EXPENDITURES.—The Secretary shall charge the coinage profit fund with all expenditures under this Act.

VIETNAM VETERANS COMMEMORATIVE COIN ACT

The text of the bill (S. 2707) to authorize the minting and issuance of coins in commemoration of the Year of the Vietnam Veteran and the 10th anniversary of the dedication of the Vietnam Veterans Memorial, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 2707

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 "Vietnam Veterans Commemorative Coin Act".

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) in 1992, the people of the United States will observe the "Year of the Vietnam Veteran" and the 10th anniversary of the dedication of the Vietnam Veterans Memorial; and

(2) the minting and issuance of $1 silver coins commemorating the accomplishments of veterans who served during the Vietnam War is an appropriate method by which to observe those events.

SEC. 3. AUTHORIZATION.

(a) ISSUANCE.—The Secretary of the Treasury (hereafter referred to as the "Secretary") shall issue not more than 1,000,000 one dollar coins each of which shall—

(1) weigh 26.73 grams;

(2) have a diameter of 1.500 inches; and

(3) contain 90 percent silver and 10 percent copper.

(b) DESIGN.—The design of the coins issued under subsection (a) shall be emblematic of the heroic service of veterans who served during the Vietnam War. On each coin there shall be a designation of the value of the coin, an inscription of the year "1992", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c) NUMISMATIC ITEMS.—For purposes of section 5132(a)(1) of title 31, United States

Code, the coins issued under subsection (a) shall be considered to be numismatic items.

(d) LEGAL TENDER.—The coins issued under subsection (a) shall be legal tender as provided in section 5103 of title 31, United States Code.

SEC. 4. SOURCES OF BULLION.

The Secretary shall obtain silver for the coins authorized under section 3 from stockpiles established under the Strategic and Critical Minerals Stock Piling Act (50 U.S.C. 98 et seq.).

SEC. 5. SELECTION OF DESIGN.

The design for each coin authorized under section 3 shall be selected by the Secretary after consultation with the Chairperson of the Vietnam Veterans of America Advisory Board and the Commission of Fine Arts.

SEC. 6. SALE OF COINS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the coins authorized under section 3 shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses), and the surcharge provided for in subsection (d).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins authorized under section 3 at a reasonable discount.

(c) PREPAID ORDERS.—The Secretary shall accept prepaid orders for the coins authorized under section 3 prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount to reflect the benefit of prepayment.

(d) SURCHARGES.—All sales of the coins authorized under section 3 shall include a surcharge of $7 per coin.

SEC. 7. ISSUANCE OF COINS.

(a) IN GENERAL.—The coins authorized under section 3 may be issued in uncirculated and proof qualities, except that not more than 1 facility of the United States Mint may be used to strike any particular quality.

(b) COMMENCEMENT OF ISSUANCE.—The Secretary may issue the coins authorized under section 3 beginning on January 1, 1992.

(c) PERIOD OF AUTHORITY.—Coins authorized under section 3 may be minted beginning 30 days after the date of enactment of this Act and for a period of not more than 1 year thereafter.

SEC. 8. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services required to carry out this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 9. DISTRIBUTION OF SURCHARGES.

Subject to section 10, all surcharges received by the Secretary pursuant to section 6(d) shall be promptly paid by the Secretary to the Vietnam Veterans Assistance Fund for the purposes of—

(1) honoring and recognizing the accomplishments of veterans of the Vietnam War;

(2) educating the people of the United States regarding the accomplishments and sacrifices of such veterans and their families;

(3) establishing programs for the purpose of improving the health and well-being of such veterans and their families, including programs to provide assistance to veterans suffering from post traumatic stress disorder and to veterans who are homeless;

(4) providing assistance to such veterans in qualifying for benefits under title 38, United States Code, and other benefits available under Federal law;

(5) providing grants to scientific and medical organizations to study the effects of and treatment for exposure to the chemical tetrachlorodibenzoparadioxin (commonly known as Agent Orange); and

(6) providing employment counseling and assistance to all veterans who served during a period of war.

SEC. 10. AUDITS.

(a) VIETNAM VETERANS ASSISTANCE FUND.—As a condition for receiving the proceeds of the surcharges pursuant to section 9, the Vietnam Veterans Assistance Fund shall allow the Comptroller General to examine such books, records, documents, and other data as may be related to the expenditure of such proceeds.

(b) GRANTS.—Any entity that receives a grant pursuant to section 9(5) shall allow the Comptroller General to examine such books, records, documents, and other data as may be related to the expenditure of any portion of such grant.

SEC. 11. COINAGE PROFIT FUND.

Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins authorized under section 3 shall be deposited in the coinage profit fund;

(2) the Secretary shall pay the amounts authorized by section 9 from the coinage profit fund to the Vietnam Veterans Assistance Fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this Act.

SEC. 12. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized under section 3 shall result in no net cost to the Federal Government.

(b) PAYMENT FOR COINS.—No coins authorized under section 3 shall be issued unless the Secretary has received—

(1) full payment therefore;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, or the Resolution Trust Corporation.

NATIONAL DEFENSE AUTHORIZATION ACT

The text of the original bill (S. 3114) to authorize appropriations for fiscal year 1993 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, as passed by the Senate on September 18, 1992, is as follows:

S. 3114

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 1993".

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:

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Funding Authorizations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense Agencies.
Sec. 105. Defense Inspector General.
Sec. 106. Reserve components.
Sec. 107. Chemical Demilitarization Program.

Subtitle B—Army Programs

Sec. 111. AH-64 Apache helicopter modifications.
Sec. 112. Armored vehicle upgrades.
Sec. 113. Limitation regarding chemical agent monitoring program.

Subtitle C—Navy Programs

Sec. 121. Shipbuilding and conversion.
Sec. 122. AN/SLQ-32 electronic warfare systems.
Sec. 123. Airborne self protection jammer.
Sec. 124. AV-8B Harrier radar upgrade program.
Sec. 125. Modification of F-14 aircraft.
Sec. 126. Strategic sealift report.

Subtitle D—Air Force Programs

Sec. 131. C-17 aircraft program.
Sec. 132. Correction of fuel leaks on C-17 production aircraft.
Sec. 133. F-16 spare parts and support equipment.

Subtitle E—Defense Agency Programs

Sec. 141. Funding for certain tactical intelligence programs.
Sec. 142. MH-47E/MH-60K helicopter modification programs.

Subtitle F—Strategic Programs

Sec. 151. Trident II missile.
Sec. 152. Nonstealthy heavy bomber modernization.
Sec. 153. B-2 bomber aircraft program.
Sec. 154. Space systems investment strategy.
Sec. 155. Ground wave emergency network.

Subtitle G—Chemical Demilitarization Program

Sec. 161. Chemical weapons stockpile disposal program.
Sec. 162. Physical and chemical integrity of the chemical weapons stockpile.

Subtitle H—Authorization of Appropriations

Sec. 171. Authorization of appropriations.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorizations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic research and exploratory development.
Sec. 203. Manufacturing technology development.
Sec. 204. Strategic Environmental Research and Development Program.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. V-22 Osprey Aircraft Program.

Sec. 212. Report on V-22 Osprey Aircraft Program.
Sec. 213. Special operations variant of the V-22 Osprey aircraft.
Sec. 214. Shipboard electronic warfare programs.

Subtitle C—Missile Defense Program

Sec. 221. Missile Defense Act amendments.
Sec. 222. Strategic Defense Initiative funding.
Sec. 223. Development and testing of anti-ballistic missile systems or components.
Sec. 224. Limitation regarding support services contracts of the strategic defense initiative organization.

Subtitle D—Other Matters

Sec. 231. Medical countermeasures against biowarfare threats.
Sec. 232. Funding for technical support working group on counter-terrorism.
Sec. 233. Manufacturing technology development programs.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorizations of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Humanitarian assistance.
Sec. 305. Support for the 1994 World Cup Games.
Sec. 306. Transfer authority.

Subtitle B—Environmental Provisions

Sec. 311. Evaluation of use of ozone-depleting substances by the Department of Defense.
Sec. 312. Removal of requirements for use of class I ozone-depleting substances in certain military procurements.
Sec. 313. Risk sharing in environmental restoration contracts of the Department of Defense.
Sec. 314. Requirement for identification of land on which no hazardous substances or petroleum products or their derivatives were stored, released, or disposed of.
Sec. 315. Clarification of covenant warranting that remedial action has been taken.
Sec. 316. Requirement to notify States of certain leases.
Sec. 317. Indemnification of transferees of closing defense property.
Sec. 318. Prohibition on use of environmental restoration funds for payment of fines and penalties.
Sec. 319. Modification of contract indemnification authority.
Sec. 320. Extension of authority to issue surety bonds for certain environmental programs.
Sec. 321. Prohibition on the purchase of surety bonds and other guaranties for the Department of Defense.
Sec. 322. Legacy Resource Management Fellowship Program.
Sec. 323. Supplemental authorization of appropriations for fiscal year 1992.

Subtitle C—Defense Economic Diversification, Conversion, and Stabilization

Sec. 331. Revision of authorities relating to the Economic Adjustment Committee.
Sec. 332. Authorizations of appropriations for certain defense stabilization activities.
Sec. 333. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 334. Impact aid.
Sec. 335. Employment and training assistance for dislocated workers.
Sec. 336. Policy to expedite assistance.
Sec. 337. Economic adjustment planning assistance.

Subtitle D—Department of Defense Civilian Personnel Transition Initiatives

Sec. 341. Reemployment in the competitive service.
Sec. 342. Reemployment assistance.
Sec. 343. Reduction-in-force notification requirements.
Sec. 344. Alleviation of adverse effects of base closures on employees at the base.
Sec. 345. Other employee assistance.
Sec. 346. Continued health benefits.
Sec. 347. Thrift Savings Plan benefits of employees separated by a reduction in force.
Sec. 348. Skill training programs in the Department of Defense.
Sec. 349. Report relating to continuing health benefits coverage of certain terminated employees of defense contractors.

Subtitle E—Other Matters

Sec. 351. Limitations on the use of Defense Business Operations Fund.
Sec. 352. Limitation on obligations against Defense Business Operations Fund.
Sec. 353. Annual report on security and control of supplies.
Sec. 354. Repeal of requirement for guidelines for future reductions of civilian employees of industrial-type or commercial-type activities.
Sec. 355. Promotion of civilian marksmanship.
Sec. 356. Purchase of items not exceeding $100,000.
Sec. 357. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 358. Repeal of requirement for competition pilot program for depot-level maintenance of materials.
Sec. 359. Optional defense dependents' summer school programs.
Sec. 360. Review of military flight training activities at civilian airfields.
Sec. 361. Sale to Korea of obsolete ammunition from war reserve stocks.
Sec. 362. Cooperative agreements with allies.
Sec. 363. Preference for procurement of energy efficient electric equipment.
Sec. 364. Madigan Army Medical Center.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Waiver and transfer authority.
Sec. 403. Authority to adjust end strengths.
Sec. 404. Repeal of requirements for minimum numbers of medical personnel.
Sec. 405. Limited exclusion of joint service requirements from a limitation on the strengths for general and flag officers on active duty.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserve components.

Subtitle C—Military Training Student Loads

Sec. 421. Authorization of training student loads.

Subtitle D—Funding Authorization

Sec. 431. Authorization of appropriations.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Reserve Component Matters

Sec. 501. Realignment of certain active Army combat support and combat service support positions to reserve components.
Sec. 502. Limitation on reduction in number of reserve component medical personnel.
Sec. 503. One-year extension of certain reserve officer management programs.
Sec. 504. Reenlistment eligibility of certain former reserve officers.
Sec. 505. Study of effects of operations Desert Shield and Desert Storm mobilizations of reserves and members of the National Guard who were self-employed or owners of small businesses.

Subtitle B—Service Academies

Sec. 511. Limitation on assignment of general officers.
Sec. 512. Academy preparatory schools.
Sec. 513. Composition of academy faculties.
Sec. 514. Academy bands.
Sec. 515. Noninstructional staff.
Sec. 516. Major training command jurisdiction.

Subtitle C—Officer Personnel Policy

Sec. 521. Officer personnel management plans.
Sec. 522. Evaluation of effects of officer strength reductions on officer personnel management systems.
Sec. 523. Test assignment of female members to combat aircraft positions.
Sec. 524. Selective early retirement.
Sec. 525. Retirement of certain limited duty officers of the Navy.

Subtitle D—Active Forces Transition Enhancements

Sec. 531. Encouragement for continuing public and community service.
Sec. 532. Teacher certification credit for military experience.
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Sec. 534. Temporary early retirement authority.
Sec. 535. Increased early retirement retired pay for public or community service.
Sec. 536. Opportunity for certain active-duty personnel to enroll in Montgomery GI bill program while being voluntarily separated from service.
Sec. 537. Elimination of recoupment requirement for reserve duty.
Sec. 538. Authorization of appropriations for certain employment, job training, and other assistance.
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Subtitle E—Guard and Reserve Transition Initiatives

Sec. 541. Force reduction transition period defined.

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Sec. 550. Commissary and exchange privileges.
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Sec. 552. Applicability and termination of benefits.

Subtitle F—Other Matters

Sec. 561. Retention on active duty of enlisted members within two years of eligibility for retirement.
Sec. 562. Limitations on enlisted aides.
Sec. 563. Limitation relating to permanent changes of stations.
Sec. 564. Reductions in number of personnel carrying out recruiting activities.
Sec. 565. Junior Reserve Officer Training Corps.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1993.
Sec. 602. Temporary rates of basic pay for certain noncommissioned officers and warrant officers and for certain colonels and Navy captains.
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Sec. 611. Requirement for proposal on concurrent payment of retired or retainer pay and veterans' disability compensation.
Sec. 612. Expansion of reimbursable adoption expenses.
Sec. 613. Prohibition on the assertion of liens on personal property being transported at Government expense.
Sec. 614. Advance payments in connection with evacuations of personnel.
Sec. 615. Increase in recomputed retired pay for certain enlisted members credited with extraordinary heroism.
Sec. 616. Authorized benefits under special separation benefits programs.
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Sec. 709. Home health services under CHAMPUS.
Sec. 710. Study on risk-sharing contracts for health care.
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Sec. 712. National claims processing center for CHAMPUS.
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Sec. 826. Department of Defense invention disposition policy.
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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

SEC. 4. GENERAL LIMITATION.

Notwithstanding any other provision of this Act, the total amount authorized to be appropriated for fiscal year 1993 under the provisions of this Act is $273,936,615,000, of which the total amount authorized to be appropriated for fiscal year 1993 under the provisions of—

(1) division A is $252,993,321,000;

(2) division B is $8,908,330,000; and

(3) division C is $12,034,964,000.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Funding Authorizations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Army as follows:

(1) For aircraft, $1,328,909,000.

(2) For missiles, $1,037,893,000.

(3) For weapons and tracked combat vehicles, $839,841,000.

(4) For ammunition, $764,280,000.

(5) For other procurement, $3,032,220,000.

SEC. 102. NAVY AND MARINE CORPS.

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

(1) For fiscal year 1993 for aircraft, $5,950,477,000.

(2) For fiscal year 1993 for weapons, $3,538,948,000.

(3) For shipbuilding and conversion:

(A) For fiscal year 1993, $5,526,463,000.

(B) For fiscal year 1994, $482,200,000.

(4) For fiscal year 1993 for other procurement, $5,722,283,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Marine Corps in the amount of $690,127,000.

(c) TRANSFER AUTHORITY.—(1) To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1992 for shipbuilding and conversion that remain available for obligation, $666,609,000 to the appropriations for the Navy for fiscal year 1993 for shipbuilding and conversion. The transfer authority under this subsection shall not extend the period of availability for obligation of amounts transferred pursuant to such authority.

(2) The transfer authority provided in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Air Force as follows:

(1) For aircraft, $9,274,999,000.

(2) For missiles, $4,125,590,000.

(3) For other procurement, $8,100,970,000.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Defense Agencies in the amount of $2,538,963,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Inspector General of the Department of Defense in the amount of $500,000.

SEC. 106. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $130,000,000.

(2) For the Air National Guard, $255,100,000.

(3) For the Army Reserve, $75,000,000.

(4) For the Naval Reserve, $75,000,000.

(5) For the Air Force Reserve, $40,000,000.

(6) For the Marine Corps Reserve, $55,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1993 for 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 note), in the amount of $517,300,000.

Subtitle B—Army Programs

SEC. 111. AH-64 APACHE HELICOPTER MODIFICATIONS.

Section 113 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1304) is repealed.

SEC. 112. ARMORED VEHICLE UPGRADES.

(a) TANK UPGRADES.—Notwithstanding any other provision of law, to the extent provided in appropriations Acts, funds received from the sale of tanks by the United States under the Arms Export Control Act during fiscal years 1990 and 1991 and sales of tanks by the United States under that Act after fiscal year 1992 shall be available, until expended, for the upgrading of tanks for fielding to the Army.

(b) INFANTRY VEHICLE UPGRADES.—Notwithstanding any other provision of law, to the extent provided in appropriations Acts, funds received from the sale of infantry fighting vehicles or armored personnel carriers by the United States under the Arms Export Control Act during fiscal years 1990 and 1991 and from the sale of such vehicles by the United States under that Act after fiscal year 1992 shall be available, until expended, for the upgrading of infantry fighting vehicles or armored personnel carriers for fielding to the Army.

SEC. 113. LIMITATION REGARDING CHEMICAL AGENT MONITORING PROGRAM.

The Improved Chemical Agent Monitor (ICAM) may not be procured for the Armed Forces until the Secretary of the Army—

(1) completes an analysis of the initial production test results of the Chemical Agent Monitor (CAM);

(2) submits to Congress a report containing a discussion of the reliability and consistency of the laboratory-tested and field-tested Chemical Agent Monitor; and

(3) determines, and notifies Congress in writing, that all design and production deficiencies of the Chemical Agent Monitor have been identified and corrected before the resumption of obligation of funds for procurements under the Chemical Agent Monitoring Program.

Subtitle C—Navy Programs

SEC. 121. SHIPBUILDING AND CONVERSION.

(a) CERTAIN PROGRAMS.—(1) Amounts authorized to be appropriated under section 102(a)(3) shall be available for the aircraft carrier replacement program as follows:

(A) For fiscal year 1993, $350,000,000.

(B) For fiscal year 1994, $482,200,000.

(2) Amounts authorized to be appropriated under section 102(a)(3)(A) shall be available for shipbuilding and conversion programs as follows:

For the CVN aircraft carrier refueling overhaul advance procurement program, $6,800,000.

For the CGN cruiser refueling overhaul advance procurement program, $30,439,000.

For the ARLEIGH BURKE guided missile destroyer program, $3,369,643,000.

For the LHD-1 amphibious assault ship program, $1,205,000,000.

For the sealift program, $225,000,000.

For the MHC-1 coastal minehunter program, $246,205,000.

For the oceanographic ship conversion program, $19,500,000.

For the service craft program, $126,028,000.

For outfitting, $385,321,000.

For post-delivery, $223,105,000.

For first destination transportation, $6,031,000.

(b) UNDISTRIBUTED REDUCTION.—The sum of the amounts provided under subsection (a) for fiscal year 1993 for the programs referred to in that subsection is reduced by $666,609,000 in order to be within the total amount authorized to be appropriated for that fiscal year under section 102(a)(3)(A).

(c) LIMITATION.—None of the funds authorized to be appropriated for fiscal year 1994 pursuant to section 102(a)(3)(B) may be obligated for advance procurement for the aircraft carrier replacement program until the Secretary of Defense—

(1) submits to the congressional defense committees the national defense technology and industrial base assessment required by section 2263 of title 10, United States Code, as added by section 801(a) of this Act; and

(2) submits to the Congress the next report (after the date of the enactment of this Act) relating to roles and missions of the Armed Forces that the Chairman of the Joint Chiefs of Staff is required to submit to the Secretary under section 153(b) of title 10, United States Code.

SEC. 122. AN/SLQ-32 ELECTRONIC WARFARE SYSTEMS.

None of the funds appropriated pursuant to section 102(a)(4) may be obligated for the AN/SLQ-32A (V)3 system until the Commander, Operational Test and Evaluation Force, has determined that such system has been proven to be operationally effective during operational testing.

SEC. 123. AIRBORNE SELF PROTECTION JAMMER.

None of the funds available to the Department of Defense for fiscal year 1993 or any fiscal year before fiscal year 1993 may be used for the procurement of the Airborne Self Protection Jammer system except for the payment of the costs of terminating existing contracts for the procurement of the Airborne Self Protection Jammer system.

SEC. 124. AV-8B HARRIER RADAR UPGRADE PROGRAM.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1993 may be obligated for the AV-8B radar upgrade program or for the remanufacture of AV-8B aircraft requiring installation of a new fuselage.

SEC. 125. MODIFICATION OF F-14 AIRCRAFT.

The unobligated balance of the funds appropriated to the Navy for fiscal year 1992 and made available for modification of F-14 aircraft may be obligated for the modification of existing F-14 aircraft with new engines, subject to such limitations as may be provided in appropriations Acts.

SEC. 126. STRATEGIC SEALIFT REPORT.

(a) REPORT.—The Secretary of Defense shall submit to the Congress a report on the specific purposes for which the Secretary intends to obligate during fiscal year 1993 the funds available for the procurement of strategic sealift. The information in the report shall be presented by program, project, and activity.

(b) LIMITATION.—Funds appropriated to the Navy for procurement for shipbuilding and conversion and available for strategic sealift may not be obligated during fiscal year 1993 until 30 days after the date on which the Secretary of Defense submits the report required by subsection (a).

Subtitle D—Air Force Programs

SEC. 131. C-17 AIRCRAFT PROGRAM.

(a) FUNDING FOR PROGRAM.—Of the amount appropriated pursuant to section 103(1), not more than $1,829,540,000 shall be available for the C-17 aircraft program, of which—

(1) not more than $1,623,935,000 shall be available for procurement other than advance procurement and procurement of spare parts; and

(2) not more than $205,605,000 shall be available for advance procurement.

(b) LIMITATION.—None of the funds provided under subsection (a) for the C-17 aircraft program (other than funds for advance procurement) may be obligated before—

(1) the Secretary of Defense submits to the congressional defense committees the report referred to in section 133(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1310);

(2) the Air Force has accepted delivery of the fifth production aircraft under that program;

(3) the Director of Operational Test and Evaluation of the Department of Defense—

(A) has evaluated the performance of the C-17 aircraft with respect to critical operational issues after the first 50 flight hours of flight testing conducted during initial operational testing and evaluation of the aircraft; and

(B) has provided to the Secretary of Defense and to the congressional defense committees an early operational assessment of the aircraft regarding overall suitability of the aircraft and deficiencies in the aircraft relative to (i) the initial requirements and specifications for the aircraft, and (ii) the current requirements and specifications for the aircraft;

(4) the Secretary of the Air Force—

(A) has convened the Scientific Advisory Board—

(i) to determine the technical feasibility of carrying out a service life extension program for the C-141 aircraft fleet; and

(ii) to review programmed depot maintenance policies and practices for the C-141 aircraft fleet; and

(B) has taken action to limit the retirement of any operationally capable C-141 aircraft until a decision is made concerning a service life extension for the C-141 fleet;

(5) the Secretary of Defense has convened a special Defense Acquisition Board to review the C-17 aircraft program;

(6) the special Defense Acquisition Board has submitted to the Secretary of Defense a report on the C-17 aircraft program, including the matters described in subsection (c); and

(7) the Secretary of Defense has submitted the report of that board, including the material referred to in subsection (c), to the congressional defense committees.

(c) MATTERS TO BE INCLUDED IN REVIEW.—The review (referred to in subsection (b)(5)) that is conducted by the special Defense Acquisition Board shall include—

(1) an assessment by the Joint Requirements Oversight Council (JROC) of the adequacy of the requirements for the C-17 aircraft;

(2) an analysis by a federally funded research and development center of the cost and operational effectiveness of the C-17 aircraft program taking into consideration complementary mixes of other aircraft; and

(3) an affordability assessment of the program, performed by the Cost Analysis Improvement Group in the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation.

(d) PROHIBITION RELATING TO PRODUCTION CAPABILITY.—None of the funds provided under subsection (a) for the C-17 aircraft program may be used to increase the current rate at which the contractor could produce C-17 aircraft.

(e) INITIATIVE ON COST, PERFORMANCE, AND MANAGEMENT.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish an initiative to maintain control over costs, contractor performance, and management performance within the C-17 aircraft program.

(2) The initiative shall include the following elements:

(A) The establishment of a management plan which provides for the decisions to commit to specified levels of production to be linked to progress in meeting specified program milestones, including testing milestones of such critical performance elements as—

(i) maximum range and maximum payload performance;

(ii) short airfield performance;

(iii) ground mobility in restricted airfield conditions;

(iv) low altitude parachute extraction capability;

(v) air drop capability; and

(vi) sustainable utilization rate performance.

(B) The establishment of a program for promoting increased interaction between the prime contractor and major program subcontractors on management and performance issues.

(C) The establishment of a senior management review group to report directly to the Under Secretary of Defense for Acquisition on the status of aircraft capability, program management, schedule, and cost.

(D) The establishment of a full performance matrix.

(3) Not later than April 1, 1993, the Secretary of Defense shall submit to the congressional defense committees a report on the initiative. The report shall include a description of the measures taken to implement the initiative, including actions taken with respect to each of the elements specified in paragraph (2), and a description of the criteria and milestones to be used in evaluating actual program performance against specified program performance.

(f) ADDITIONAL AMOUNT.—(1) Of the amounts appropriated for the Air Force for fiscal year 1993 for the procurement of aircraft pursuant to the authorization in section 103(1), $232,000,000 may be made available for the C-17 aircraft program in addition to amounts provided under subsection (a).

(2) Funds made available pursuant to paragraph (1) shall be subject to the limitation in subsection (b) and the prohibition in subsection (d).

(3) None of the funds made available pursuant to paragraph (1) may be obligated unless the Inspector General of the Department of Defense certifies to the congressional defense committees that the Air Force—

(A) took delivery of the fifth production aircraft not later than December 31, 1992; and

(B) has taken delivery of all C-17 aircraft in production lot III and has flown all of those aircraft from the final assembly site on or before August 31, 1993.

SEC. 132. CORRECTION OF FUEL LEAKS ON C-17 PRODUCTION AIRCRAFT.

(a) CERTIFICATION OF CONTRACTOR CORRECTION UNDER WARRANTY.—The Secretary of Defense shall (except as otherwise provided under subsection (b)) certify to the congressional defense committees that the repair of the fuel leaks on production C-17 aircraft will be carried out by the contractor (under the warranty provisions of the production contract for such aircraft) at no additional cost to the Government and with no additional consideration to the contractor for production aircraft under the C-17 program by reason of the repair of the C-17 fuel leaks.

(b) ALTERNATIVE TO CERTIFICATION.—If the Secretary of Defense is unable to make the certification referred to in subsection (a), the Secretary—

(1) shall carry out the repair of the fuel leaks at an Air Logistics Center in the United States; and

(2) shall submit to the congressional defense committees a report notifying the committees that the Secretary is unable to make such a certification and setting forth a schedule for conducting the repair of the fuel leaks pursuant to paragraph (1).

SEC. 133. F-16 SPARE PARTS AND SUPPORT EQUIPMENT.

Notwithstanding any other provision of law, the Secretary of the Air Force may sell any component, part, assembly, or material procured with funds appropriated for fiscal year 1990, 1991, or 1992 for advance procurement for F-16 aircraft and made available for the 24 F-16 aircraft identified for procurement in fiscal year 1993 by the Department of Defense in the document entitled "Procurement Programs (P-1)," dated January 29, 1992. The proceeds of the sale of such components, parts, assemblies, and material shall be available for the procurement of spare parts and support equipment for F-16 aircraft and for the liquidation of any liability of the Federal Government resulting from the termination of production of F-16 aircraft.

Subtitle E—Defense Agency Programs

SEC. 141. FUNDING FOR CERTAIN TACTICAL INTELLIGENCE PROGRAMS.

(a) AUTHORIZATION.—Of the funds authorized to be appropriated under section 104, $166,700,000 shall be available for modernizing EP-3 Aries aircraft or RC-135 Rivet Joint aircraft.

(b) ELECTION OF SYSTEM.—The Secretary of Defense shall determine whether to use all of the funds provided under subsection (a) for modernizing EP-3 Aries aircraft or to use all of such funds for modernizing RC-135 Rivet Joint aircraft. Such funds may not be used for modernizing both such aircraft systems.

(c) TRANSFER AUTHORITY.—(1) To the extent provided in appropriations Acts, and subject to the limitation in paragraph (2), the Secretary of Defense may transfer $166,700,000 to the Navy for procurement of aircraft or to the Air Force for procurement of aircraft.

(2) The Secretary of Defense may not transfer any funds under paragraph (1) until the date 30 days after the date on which the Secretary submits to the congressional defense committees a report containing the Secretary's determination on which of the two aircraft systems referred to in subsection (a) is better for meeting the tactical intelligence requirements of the commanders of the combatant commands.

(3) The transfer authority in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 142. MH-47E/MH-60K HELICOPTER MODIFICATION PROGRAMS.

(a) REQUIRED TESTING.—Notwithstanding the requirements of subsections (a) (2) and (b) of section 2366 of title 10, United States Code, and the requirements of subsection (a) of section 2399 of such title—

(1) operational test and evaluation and survivability testing of the MH-60K helicopter under the MH-60K helicopter modification program shall be completed prior to full materiel release of the MH-60K helicopters for operational use; and

(2) operational test and evaluation and survivability testing of the MH-47E helicopter under the MH-47E helicopter modification program shall be completed prior to full materiel release of the MH-47E helicopters for operational use.

(b) REPEAL OF SUPERSEDED LAW.—Section 143 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-109; 105 Stat. 1313) is repealed.

Subtitle F—Strategic Programs

SEC. 151. TRIDENT II MISSILE.

(a) LIMITATION.—None of the funds appropriated pursuant to the authorization in section 102(a)(2) and made available for the advance procurement of Trident II missiles may be obligated until the report described in subsection (b), which was to have been submitted to the congressional defense committees not later than March 1, 1992, has been submitted to those committees.

(b) COVERED REPORT.—The report referred to in subsection (a) is the report, referred to in Senate Report No. 102-113, 102d Congress, 1st session, on the cost savings that could be obtained through multiyear procurement of the balance of the Trident II missiles to be produced at rates of 48, 60, and 72 missiles per year.

SEC. 152. NONSTEALTHY HEAVY BOMBER MODERNIZATION.

(a) SURVIVABILITY AND EFFECTIVENESS TESTING.—(1) The Secretary of Defense shall prepare and implement a plan for testing of the survivability and operational effectiveness of nonstealthy heavy bombers against a set of defenses and defended target arrays that are representative of a broad range of potential targets and defenses that such bombers might encounter during conventional conflicts during the next 20 years.

(2) The Secretary shall carry out paragraph (1) with the assistance of the Secretary of the Air Force, the Vice Chairman of the Joint Chiefs of Staff, the Director of Operational Test and Evaluation of the Department of Defense, and the independent panel established pursuant to section 121(e) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1379).

(3) The aircraft to be tested under the testing plan required under paragraph (1) include—

(A) B-52H bombers;

(B) B-1B bombers containing the current version of the ALQ-161 electronic countermeasures suite; and

(C) subject to paragraph (5), the one B-1B that contains an electronic countermeasures suite modified to the "CORE" configuration.

(4) The testing plan shall—

(A) be designed to encompass—

(i) cued and uncued defenses;

(ii) individual air defense systems as well as multiple air defenses; and

(iii) survivability and operational effectiveness with and without external assets for suppression or disruption of simulated enemy air defenses;

(B) require quantitative measurements that are adequate to permit extrapolation of test data to untested scenarios with reasonable confidence levels;

(C) be designed to permit the evaluation of alternative tactics for bomber penetration and weapons delivery and alternative tactics for defenses; and

(D) be designed to permit the evaluation of the contribution of advanced conventional munitions currently under development to the survivability and effectiveness of the aircraft.

(5) The Secretary may exempt the B-1B referred to in paragraph (3)(C) from testing under the testing plan if the Secretary determines, before implementing the testing plan, to terminate the procurement of the CORE electronics countermeasures system.

(b) REPORTING REQUIREMENTS.—(1) Upon the conclusion of the testing program provided for in the testing plan, the Secretary of Defense shall submit to the congressional defense committees a report, in unclassified and classified forms, on—

(A) the results of the testing and the implications of those results for—

(i) the future force structure requirements for nonstealthy heavy bombers, taking into account the capabilities of other weapon systems;

(ii) advanced conventional munitions capabilities; and

(iii) cost-effective measures, modifications, and upgrades for enhancing the survivability and operational effectiveness of the nonstealthy heavy bombers to be retained in the force structure; and

(B) the deficiencies in the numbers, performance, capability, and fidelity of air defense threats and threat simulators available for the operational testing, together with a detailed analysis of the cost and lead-times necessary for obtaining for testing purposes an adequate representation of current and likely future air defenses.

(2) Within 60 days after the date of the submission of the report under paragraph (1), the Comptroller General of the United States shall review the report and the recommendations in the report and shall provide the congressional defense committees with his views on the report.

(c) FUNDING.—Of the funds made available pursuant to section 103 for fiscal year 1993, not more than $50,200,000 shall be available for modification of the B-1B bomber program, not more than $50,000,000 shall be available for interim contractor support, and not more than $70,000,000 shall be available for modifications of B-52 bomber aircraft.

(d) LIMITATION ON EXPENDITURE OF B-1B BOMBER FUNDS.—The Secretary of Defense may not obligate funds for the procurement of the "CORE" electronic countermeasures system until—

(1) the report required under subsection (b) is submitted to the congressional defense committees and a period of 60 days after the date of the submission elapses; and

(2) the Secretary certifies in writing to the congressional defense committees that the Director of Operational Test and Evaluation of the Department of Defense has reviewed the CORE electronic countermeasures system proposed to be acquired and has determined that the system is operationally suitable and operationally effective in meeting all B-1B defensive avionics system requirements.

SEC. 153. B-2 BOMBER AIRCRAFT PROGRAM.

(a) AMOUNT FOR PROGRAM.—Of the amount authorized to be appropriated pursuant to section 103(1), not more than $2,686,572,000 may be obligated for procurement for the B-2 bomber aircraft program.

(b) B-2 BUYOUT AND CURTAILMENT.—The funds referred to in subsection (a) may be obligated only for the purpose of completing procurement for the B-2 bomber aircraft program and paying all curtailment costs under the B-2 aircraft program.

(c) LIMITATION ON NUMBER OF B-2 AIRCRAFT.—A total of not more than 20 deployable B-2 bomber aircraft plus 1 test aircraft may be procured.

(d) LIMITATION ON OBLIGATION OF FUNDS.—None of the funds referred to in subsection (a) may be obligated unless and until—

(1) the Secretary of Defense submits to the congressional defense committees—

(A) the reports and certifications referred to in section 131(b)(1) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1306);

(B) the report under subsection (e); and

(C) the report under subsection (f); and

(2) 30 days have elapsed since the date of the submission of the reports under subsections (e) and (f).

(e) REPORT ON LOW OBSERVABILITY AND SURVIVABILITY.—The report referred to in subsection (d)(1)(B) is a report submitted by

the Secretary of Defense to the congressional defense committees that contains the following matters:

(1) The Secretary's assessment of the extent to which the B-2 aircraft will meet the original operational performance objectives that were established for the B-2 aircraft in order to ensure the high survivability of the aircraft, including an accounting of the specific low observability objectives that were not fulfilled in a B-2 flight test conducted during July 1991 and the effect on survivability (if any) of the currently projected low observable characteristics of the B-2 aircraft.

(2) A full description of the information upon which the assessment required by paragraph (1) is based, including all relevant flight test data.

(3) A full description of any actions planned to be taken to improve the B-2 aircraft's low observability capabilities beyond the capabilities that have been demonstrated in flight testing before the date of the submission of the report under this subsection, and the associated costs and benefits.

(4) A quantitative assessment by the Secretary of Defense of the likelihood that a B-2 aircraft having the low observable characteristics projected for the aircraft can survive in the execution in the future of its primary mission as a penetrating nonnuclear bomber as compared to the likelihood that a B-2 aircraft meeting all of the specifications contained in the current development contract can survive in the execution of such a mission.

(f) REPORT ON COST OF PROGRAM FOR 20 B-2 AIRCRAFT.—The report referred to in subsection (d)(1)(C) is a report submitted by the Secretary of Defense to the congressional defense committees that describes the total amount of the research, development, test, and evaluation costs, procurement costs, and other acquisition costs that are associated with a B-2 aircraft program to result in 20 deployable aircraft, including the costs of all planned modifications and retrofits, tooling, preplanned product improvements, support equipment, interim contractor support, initial spares, and any Government liability associated with curtailment.

(g) GAO REVIEW.—(1) The Comptroller General of the United States shall—

(A) review each report submitted pursuant to subsection (e) and (f); and

(B) provide the congressional defense committees with his comments on such reports.

(2) The Secretary of Defense shall transmit a copy of the reports to the Comptroller General at the same time that he transmits the reports to the congressional defense committees.

SEC. 154. SPACE SYSTEMS INVESTMENT STRATEGY.

(a) COST REDUCTION STRATEGY.—The Secretary of Defense shall develop a strategy for achieving substantial reductions in the cost of developing, acquiring, and supporting space systems operated by the Department of Defense.

(b) OPTIONS TO BE CONSIDERED.—In developing the strategy, the Secretary shall consider options to achieve reductions by fiscal year 2000 to amounts that are up to 25 percent below the costs incurred for such space systems in fiscal year 1992, measured in constant dollars.

(c) REPORT REQUIRED.—At the earliest practicable date, but not later than March 1, 1993, the Secretary shall submit to the congressional defense committees a report on the strategy required under subsection (a) and any recommendations that the Secretary considers appropriate regarding such strategy.

SEC. 155. GROUND WAVE EMERGENCY NETWORK.

Section 132 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1501) is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1993".

Subtitle G—Chemical Demilitarization Program

SEC. 161. CHEMICAL WEAPONS STOCKPILE DISPOSAL PROGRAM.

(a) CHANGE IN STOCKPILE ELIMINATION DEADLINE.—Section 1412(b)(5) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(b)(5)), is amended by striking out "July 31, 1999" and inserting in lieu thereof "December 31, 2004".

(b) EVALUATION OF ALTERNATIVE TECHNOLOGIES.—Not later than December 31, 1993, the Secretary of the Army shall submit to Congress a report on the potential alternatives to the use of the Army's baseline disassembly and incineration process for the disposal of lethal chemical agents and munitions. The report shall include the following:

(1) An analysis of the report of the Committee on Alternative Chemical Demilitarization Technologies of the National Research Council of the National Academy of Science.

(2) Any recommendations that the National Academy of Sciences makes to the Army regarding the report of that committee and the Secretary's evaluation of those recommendations.

(3) A comparison of the baseline disassembly and incineration process with each alternative technology evaluated in the report of such committee that the National Academy of Sciences recommends for use in the Army Chemical Stockpile Disposal Program, taking into consideration each of the following factors:

(A) Safety.

(B) Environmental protection.

(C) Cost effectiveness.

(4) For each alternative technology recommended by the National Academy of Sciences, the date by which the Army could reasonably be expected to systematize, construct, and test the technology, obtain all necessary environmental and other permits necessary for using that technology for the disposal of lethal chemical agents and munitions, and have the technology available for full-scale chemical weapons destruction and demilitarization operations.

(5) A description of alternatives to incineration that are being developed by Russia for use in its chemical demilitarization program and an assessment of the extent to which such alternatives could be used to destroy lethal chemical weapons in the United States inventory of such weapons.

(c) LIMITATION.—(1) Except as provided in paragraphs (2) and (3), the Army may not carry out any site preparation for or construction of a disassembly and incinerator chemical agents disposal facility until the report required under subsection (b) is submitted to Congress.

(2) The limitation in paragraph (1) does not apply to any disassembly and incineration chemical agent disposal facility (of the 8 such facilities identified in the Army Chemical Stockpile Disposal Program) at which site preparation or construction has commenced before the date of the enactment of this Act.

(3) The limitation in paragraph (1) does not apply to:

(A) Facility design activities.

(B) The obtaining of environmental permits.

(C) Project planning.

(D) Procurement of equipment for installation in a facility.

(d) DESTRUCTION OF NONSTOCKPILE CHEMICAL MATERIAL.—(1)(A) Not later than February 1, 1993, the Secretary of the Army shall submit to Congress a report setting forth the Army's plans for destroying all chemical warfare material of the United States not covered by section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), that would be required to be destroyed if the United States became a party to a chemical weapons convention described in subparagraph (B).

(B) The chemical weapons convention referred to in subparagraph (A) is a chemical weapons convention that is substantially the same as the final draft of the proposed international Chemical Weapons Convention (CWC) tabled by the Chairman of the United Nations Conference on Disarmament Ad Hoc Committee on Chemical Weapons on June 22, 1992 (CD/CW/WP.400/Rev.1).

(2) The chemical warfare material covered by the report shall include the following:

(A) Binary chemical munitions.

(B) Buried chemical munitions.

(C) Chemical munitions recovered from ranges.

(D) Chemical weapons production facilities.

(E) All other chemical warfare material referred to in paragraph (1).

(3) The report shall include the following:

(A) A list of all suspected locations (including ranges) of buried or unexpended chemical munitions.

(B) An estimate of the number of such munitions and, of that number, how many of such munitions are planned to be destroyed.

(C) An inventory of the former chemical weapons production facilities and previously contaminated storage containers and the plans for destroying those facilities and containers.

(D) An inventory of the binary chemical munitions and the plans for destroying those munitions.

(E) The locations at which the chemical warfare materials and facilities referred to subparagraphs (A) through (D) will be destroyed.

(F) A description of the use, if any, that will be made of the Chemical Agent and Munitions Disposal System (CAMDS) facility, Tooele, Utah, in the destruction of those chemical warfare materials, as well as possible future uses of that facility for the destruction of conventional munitions or for research and development of possible alternative technologies for the destruction of chemical munitions.

(G) For the chemical warfare materials that cannot be destroyed in place or on site, a description of the means to be used for transporting the materials to disposal facilities.

(H) An estimate of the cost of destroying such chemical warfare materials and facilities.

(I) An estimate of the time that will be necessary to destroy such chemical warfare materials and facilities and the Secretary's determination of the likelihood that such materials and facilities can be destroyed by December 31, 2004.

(J) A determination as to whether it is a realistic option to transport chemical agents and munitions currently stored at low-volume disposal sites to other locations for destruction instead of destroying those munitions at those sites, taking into consideration safety, cost effectiveness, and the po-

tential obligations of the United States under a chemical weapons convention to transport substantial quantities of chemical warfare munitions and materials not in the United States stockpile of lethal chemical agents and munitions to various locations for destruction.

(4) As used in paragraph (3)(J), the term "low-volume disposal site" means any chemical agent disposal site identified in the Army Chemical Stockpile Disposal Program where 5 percent or less of the total United States stockpile of unitary chemical weapons is stored.

SEC. 162. PHYSICAL AND CHEMICAL INTEGRITY OF THE CHEMICAL WEAPONS STOCKPILE.

(a) REPORT REQUIRED.—Not later than May 1, 1993, the Secretary of the Army shall submit to Congress a report on the physical and chemical integrity of the existing chemical weapons that are contained in the chemical weapons stockpile of the United States and are stored within the 8 chemical weapons storage sites within the continental United States.

(b) CONTENT OF REPORT.—The report shall include the following matters:

(1) A critical analysis of the near-term, mid-term, and long-term storage life of all chemical materials and chemical munitions contained within the storage sites referred to in subsection (a).

(2) For each class of chemical munitions and chemical agents, an analysis of the overall frequency of leaks of the munitions and agents and the frequency of leaks of the munitions and agents at each storage site.

(3) For each class of munition and agent and for each storage site, a description of the finite risks and potential harm to human health and environmental quality that are associated with such catastrophic events as container breach, spontaneous munition ignition, and leak.

(4) A critical analysis of the risks associated with the storage of the chemical munitions and chemical agents in each class of chemical munitions and chemical agents that are stored at each storage site through December 31, 2004.

(5) A discussion of actions that could be taken to minimize or eliminate the risks identified in paragraphs (1) through (4).

Subtitle H—Authorization of Appropriations

SEC. 171. AUTHORIZATION OF APPROPRIATIONS.

In addition to the funds authorized to be appropriated by section 106, the following funds are authorized to be appropriated:

(a) For the Army National Guard:

(1) For 3 P-180 aircraft, $12,000,000.

(2) For night vision goggles, $20,000,000.

(3) For single channel ground airborne radio system, $10,000,000.

(4) For 6 C-26 aircraft, $23,000,000.

(5) For medium truck service life extension program, $15,000,000.

(6) For M113A3 conversion program, $15,000,000.

(b) For the Air National Guard:

(1) For night vision goggles, $5,000,000.

(c) For the Army Reserve:

(1) For medium truck service life extension program, $25,000,000.

(2) For 12 C-12J aircraft, $42,000,000.

(3) For night vision goggles, $20,000,000.

(4) For single channel ground airborne radio system, $10,000,000.

(d) For the Marine Corps Reserve:

(1) For night vision goggles, $10,000,000.

(2) For single channel ground airborne radio system, $5,000,000.

(3) For a C-20 aircraft for administrative support for the Marine Corps, $25,000,000.

(e) For the Air Force Reserve:

(1) For night vision goggles, $5,000,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorizations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces for research, development, test, and evaluation as follows:

(1) For the Army, $5,307,744,000.

(2) For the Navy, $8,921,805,000.

(3) For the Air Force, $14,070,731,000.

(4) For the Defense Agencies, $10,665,659,000, of which—

(A) $261,707,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(B) $12,983,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1993.—Of the amounts authorized to be appropriated by section 201, $4,179,179,000 shall be available for basic research and exploratory development projects.

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

SEC. 203. MANUFACTURING TECHNOLOGY DEVELOPMENT.

Of the amounts authorized to be appropriated by section 201, $433,600,000 shall be available for manufacturing technology development as follows:

(1) For the Army, $61,000,000.

(2) For the Navy, $108,400,000.

(3) For the Air Force, $146,200,000.

(4) For the Office of the Secretary of Defense, $118,000,000.

SEC. 204. STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

Of the amounts authorized to be appropriated by section 201, $200,000,000 shall be available for the Strategic Environmental Research and Development Program.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. V-22 OSPREY AIRCRAFT PROGRAM.

(a) FISCAL YEAR 1993 FUNDING.—Of the funds authorized to be appropriated pursuant to section 201 or otherwise made available for the Navy for fiscal year 1993 for research, development, test, and evaluation, $755,000,000 may be used only for development, manufacture, and operational testing of 3 production representative V-22 Osprey aircraft in addition to the 3 production representative V-22 Osprey aircraft for which funds were authorized to be appropriated, and were appropriated, for fiscal year 1992.

(b) USE OF FUNDS FOR CURRENT AND PRIOR FISCAL YEARS.—The amount made available for fiscal year 1993 for the V-22 Osprey aircraft program pursuant to subsection (a) and the unobligated balances of the amounts that were authorized to be appropriated, and were appropriated, for preceding fiscal years and made available for the V-22 Osprey aircraft program may be used only for—

(1) the development and manufacture of a total of 6 production representative aircraft for operational testing; and

(2) the operational testing of such aircraft.

SEC. 212. REPORT ON V-22 OSPREY AIRCRAFT PROGRAM.

(a) REPORT REQUIRED.—The Commandant of the Marine Corps shall submit to the congressional defense committees a report on the crash of the V-22 Osprey prototype aircraft that occurred on July 20, 1992.

(b) CONTENT OF REPORT.—The report shall include a discussion of the following matters:

(1) The cause or causes of the crash.

(2) The extent to which a redesign of a system might be required to correct the condition or conditions that caused the crash.

(3) The effects of the crash on the cost, schedule, and technical risk of the V-22 Osprey development and testing program.

(c) SUBMITTAL DATE.—The Commandant shall submit the report on or before September 1, 1992. If the Commandant expects to be unable to submit the report by that date, the Commandant shall notify the congressional defense committees of that expectation not later than August 16, 1992. The Commandant shall include in the notification the date on which he expects to submit the report.

(d) LIMITATION.—Not more than 50 percent of the amount appropriated for the Navy for fiscal year 1993 and made available for the V-22 Osprey aircraft program may be obligated until the Commandant has submitted the report required by subsection (a).

SEC. 213. SPECIAL OPERATIONS VARIANT OF THE V-22 OSPREY AIRCRAFT.

Of the amounts authorized to be appropriated pursuant to section 201(4), $15,000,000 shall be available for research, development, test, and evaluation in connection with the special operations variant of the V-22 Osprey aircraft.

SEC. 214. SHIPBOARD ELECTRONIC WARFARE PROGRAMS.

The Secretary of Defense shall specify in the Department of Defense budget request for fiscal year 1994 a separate program element for electronic warfare programs involving ship self-defense.

Subtitle C—Missile Defense Program

SEC. 221. MISSILE DEFENSE ACT AMENDMENTS.

(a) IMPLEMENTATION OF GOAL.—Section 233 of the Missile Defense Act of 1991 (part C of title II of Public Law 102-190; 10 U.S.C. 2431 note) is amended in subsection (b) by striking out "(b)" and all that follows through the end of paragraph (2) and inserting in lieu thereof the following:

"(b) ACTIONS OF THE SECRETARY OF DEFENSE.—

"(1) THEATER MISSILE DEFENSE SYSTEMS.—The Secretary of Defense shall develop advanced theater missile defense systems for deployment.

"(2) INITIAL ABM DEPLOYMENT.—The Secretary shall develop for deployment a cost-effective, operationally effective, and ABM Treaty-compliant antiballistic missile system at a single site as the initial step toward deployment of an antiballistic missile system described in section 232(a)(1) designed to protect the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks. The system components to be developed shall include—

"(A) 100 ground-based interceptors, the design of which is to be determined by competition and downselection for the most capable interceptor or interceptors;

"(B) fixed, ground-based, antiballistic missile battle management radars; and

"(C) optimum utilization of space-based sensors, including sensors capable of cueing ground-based antiballistic missile interceptors and providing initial targeting vectors, and other sensor systems that are not prohibited by the ABM Treaty, including specifically the Ground Surveillance and Tracking System.".

(b) FOLLOW-ON TECHNOLOGY RESEARCH.—Subsection (c) of section 234 of such Act is amended to read as follows:

"(c) TRANSFER OF MANAGEMENT RESPONSIBILITY FOR RESEARCH AND DEVELOPMENT OF FAR-TERM FOLLOW-ON TECHNOLOGIES.—

"(1) TRANSFER REQUIRED.—

"(A) IN GENERAL.—As the Strategic Defense Initiative Organization (SDIO) transitions from a broadly based research organization to a focused acquisition agency, maintaining responsibility for research and development of far-term follow-on technologies in that organization could distract management and result in funding shortfalls as the Strategic Defense Initiative Organization's priorities increasingly center on near-term deployment architectures. Accordingly, the Secretary of Defense shall transfer management and budget responsibility for research and development of all far-term follow-on technologies currently under the Strategic Defense Initiative Organization to the Defense Advanced Research Projects Agency (DARPA) or the appropriate military department, unless he determines and certifies to the congressional defense committees that transfer of a particular far-term follow-on technology currently under the Strategic Defense Initiative Organization would not be in the national security interests of the United States.

"(B) DEFINITION.—In subparagraph (A), the term 'far-term follow-on technology' means a technology not likely to be incorporated into a weapon system within 10 to 15 years after the date of the enactment of this Act.

"(2) REPORT REQUIRED.—

"(A) IN GENERAL.—Not later than 90 days after the date of enactment of the National Defense Authorization Act for Fiscal Year 1993, the Secretary of Defense shall submit to the congressional defense committees a report identifying—

"(i) those programs, projects, and activities under the Other Follow-On Technologies program element for fiscal year 1993 which he is transferring to a military department or the Defense Advanced Research Projects Agency; and

"(ii) those programs, projects, and activities under the Other Follow-On Technologies program element which the Secretary certifies are necessary in the national security interests of the United States to maintain under the Strategic Defense Initiative Organization.

"(B) DEFINITION.—In subparagraph (A), the term 'programs, projects, and activities under the Other Follow-On Technologies program element for fiscal year 1993' means the programs, projects, and activities listed under the Other Follow-On Technologies program element for fiscal year 1993 in the report submitted to the congressional defense committees on July 2, 1992 pursuant to section 233(b)(3) of this Act.".

(c) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION OBJECTIVES FOR SDI PROGRAM ELEMENTS.—Section 236 of such Act is amended—

(1) in subsection (a), by striking out "by fiscal year 1996" in the second sentence;

(2) in subsection (b)(1), by striking out all after "United States,"; and

(3) in subsection (d), by inserting "but which are not likely to be incorporated into weapons within 10 to 15 years after the date of the enactment of this Act" before the period at the end.

(d) REVIEW OF FOLLOW-ON DEPLOYMENT OPTIONS.—Section 238 of such Act is amended by striking out "of fiscal year 1996" in the first sentence.

SEC. 222. STRATEGIC DEFENSE INITIATIVE FUNDING.

(a) TOTAL AMOUNT.—Of the amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1993, not more than $3,800,000,000 may be obligated for the Strategic Defense Initiative, as follows:

(1) Of the amounts appropriated pursuant to title I for fiscal year 1993 or otherwise made available to the Department of Defense for procurement for fiscal year 1993, not more than $62,500,000 may be obligated for the Strategic Defense Initiative.

(2) Of the amounts appropriated pursuant to section 201 for fiscal year 1993 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1993, not more than $3,737,500,000 may be obligated for the Strategic Defense Initiative.

(b) SPECIFIC AMOUNTS FOR THE PROGRAM ELEMENTS.—Of the amount set forth in subsection (a)—

(1) not more than $2,090,000,000 shall be available for programs, projects, and activities within the Limited Defense System program element;

(2) not more than $997,500,000 shall be available for programs, projects, and activities within the Theater Missile Defenses program element;

(3) not more than $350,000,000 shall be available for programs, projects, and activities within the Space-Based Interceptors program element;

(4) not more than $400,000,000 shall be available for programs, projects, and activities within the Other Follow-On Systems program element; and

(5) not more than $400,000,000 shall be available for programs, projects, and activities within the Research and Support Activities program element.

(c) TRANSFER AUTHORITIES.—(1) Before the submission of the report required under subsection (e) and notwithstanding the limitations set forth in subsection (b), the Secretary of Defense may transfer funds among the program elements named in subsection (b).

(2) The total amount that may be transferred to or from any program element named in subsection (b)—

(A) may not exceed 10 percent of the amount provided in such subsection for the program element from which the transfer is made; and

(B) may not result in an increase of more than 10 percent of the amount provided in such subsection for the program element to which the transfer is made.

(3) Transfer authority may not be used for a decrease in funds identified in subsection (b)(2) for Theater Missile Defenses.

(4) Amounts transferred pursuant to paragraph (1) shall be merged with and be available for the same purposes as the amounts to which transferred.

(d) CONSTRUCTION OF AUTHORITY IN RELATION TO USER OPERATIONAL EVALUATION SYSTEM.—Nothing in this Act shall be construed to authorize the exercise of any option to fabricate or field elements of a User Operational Evaluation System at the initial anti-ballistic missile defense site.

(e) REPORTING REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the allocation of funds appropriated for the Strategic Defense Initiative for fiscal year 1993. The report shall specify the amount of such funds allocated for each program, project, and activity under each program element.

SEC. 223. DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS.

(a) USE OF FUNDS.—(1) Funds appropriated to the Department of Defense for fiscal year 1993, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1993 or for any fiscal year before 1993, may not be obligated or expended—

(A) for any development or testing of anti-ballistic missile systems or components except for development and testing consistent with the development and testing described in the July 1992 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of anti-ballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the July 1992 SDIO Report.

(2) The limitation under paragraph (1) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1993 if the transfer is made in accordance with section 1001 of this Act.

(b) DEFINITION.—In this section, the term "July 1992 SDIO Report" means the report entitled, "1992 Report to Congress on the Strategic Defense Initiative," prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives by the Secretary of Defense pursuant to section 224 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1398; 10 U.S.C. 2431 note).

SEC. 224. LIMITATION REGARDING SUPPORT SERVICES CONTRACTS OF THE STRATEGIC DEFENSE INITIATIVE ORGANIZATION.

(a) LIMITATION.—Of the amounts that are appropriated to the Department of Defense for fiscal year 1993 pursuant to the authorizations of appropriations contained in this Act and are made available for the Strategic Defense Initiative Organization, not more than $100,000,000 may be expended for the procurement of support services.

(b) DEFINITION.—In subsection (a), the term "support services" means—

(1) professional, administrative, and management support services;

(2) special studies and analyses; or

(3) services contracted for under section 3109 of title 5, United States Code.

Subtitle D—Other Matters

SEC. 231. MEDICAL COUNTERMEASURES AGAINST BIOWARFARE THREATS.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for fiscal year 1993, not more than $59,670,000 shall be available for the medical component of the Biological Defense Research Program (BDRP) of the Department of Defense.

(b) LIMITATIONS.—(1) Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1993 may be obligated and expended for product development, and for research, development, testing, and evaluation, of medical countermeasures against biowarfare threat agents only in accordance with this section.

(2) Of the funds made available pursuant to subsection (a), not more than $10,000,000 may be obligated or expended for research, development, testing, or evaluation of medical countermeasures against far-term validated biowarfare threat agents.

(3) Of the funds made available pursuant to subsection (a) and not made available pursuant to paragraph (2) for the purpose set out in that paragraph—

(A) not more than 80 percent may be obligated and expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against near-term validated biowarfare threat agents; and

(B) not more than 20 percent may be obligated or expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against mid-term validated biowarfare threat agents.

(c) DEFINITIONS.—In this section:

(1) The term "validated biowarfare threat agent" means a biological agent that—

(A) is named in the biological warfare threat list published by the Defense Intelligence Agency (DIA); and

(B) is identified as a biowarfare threat by the Deputy Chief of Staff of the Army for Intelligence in accordance with Army regulations applicable to intelligence support for the medical component of the Biological Defense Research Program.

(2) The term "near-term validated biowarfare threat agent" means a validated biowarfare threat agent that has been, or is being, developed or produced for weaponization within 5 years, as assessed and determined by the Defense Intelligence Agency.

(3) The term "mid-term validated biowarfare threat agent" means a validated biowarfare threat agent that is an emerging biowarfare threat, is the object of research by a foreign threat country, and will be ready for weaponization in more than 5 years and less than 10 years, as assessed and determined by the Defense Intelligence Agency.

(4) The term "far-term validated biowarfare threat agent" means a validated biowarfare threat agent that is a future biowarfare threat, is the object of research by a foreign threat country, and could be ready for weaponization in more than 10 years and less than 20 years, as assessed and determined by the Defense Intelligence Agency.

(5) The term "weaponization" means incorporation into usable ordnance or other militarily useful means of delivery.

SEC. 232. FUNDING FOR TECHNICAL SUPPORT WORKING GROUP ON COUNTER-TERRORISM.

(a) TOTAL AMOUNT.—Of the funds authorized to be appropriated for fiscal year 1993 under section 201, $10,000,000 shall be available for activities of the Technical Support Working Group on Counter-Terrorism.

(b) AMOUNT FOR ALLIED COOPERATION.—Of the amount available for the activities referred to in subsection (a), $3,000,000 shall be available for cooperation with other member nations of the North Atlantic Treaty Organization (NATO) and with major non-NATO allies (as defined in section 2350a(i)(3) of title 10, United States Code).

SEC. 233. MANUFACTURING TECHNOLOGY DEVELOPMENT PROGRAMS.

Manufacturing technology development programs conducted by or for the Department of Defense, including those programs for which funds are made available pursuant to section 203, shall include a focus on production technologies designed to build on and expand existing worker skills and experience in manufacturing production.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorizations of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1993 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, $14,193,215,000.

(2) For the Navy, $20,371,281,000.

(3) For the Marine Corps, $1,453,515,000.

(4) For the Air Force, $16,876,477,000.

(5) For the Defense Agencies, $8,384,605,000.

(6) For the Army Reserve, $1,033,773,000.

(7) For the Naval Reserve, $878,792,000.

(8) For the Marine Corps Reserve, $74,821,000.

(9) For the Air Force Reserve, $1,213,887,000.

(10) For the Army National Guard, $2,251,213,000.

(11) For the Air National Guard, $2,512,475,000.

(12) For the National Board for the Promotion of Rifle Practice, $2,700,000.

(13) For the Defense Inspector General, $125,500,000.

(14) For Drug Interdiction and Counter-Drug Activities, Defense, $1,263,400,000.

(15) For the Court of Military Appeals, $5,893,000.

(16) For Environmental Restoration, Defense, $1,513,200,000

(17) For Humanitarian Assistance, $25,000,000.

(18) For the Defense Health Program, $9,507,072,000.

(19) For support for the 1996 Summer Olympics, $2,000,000.

(20) For support for the 1993 World University Games, $6,000,000.

(21) For support for the 1994 World Cup Games, $9,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

There is hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $1,123,800,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1993 from the Armed Forces Retirement Home Trust Fund the sum of $62,728,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. HUMANITARIAN ASSISTANCE.

(a) PURPOSE.—(1) Funds appropriated pursuant to the authorization in section 301(17) shall be available for the purposes of section 2551 of title 10, United States Code, including the transportation of humanitarian relief for the people of Afghanistan and Cambodia.

(2) Of the funds authorized to be appropriated for fiscal year 1993 pursuant to section 301(17) for such purpose, not more than $3,000,000 shall be available for distribution of humanitarian relief supplies to displaced persons or refugees who are noncombatants, including those affiliated with the Cambodian non-Communist resistance, at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—Under section 2551(b) of title 10, United States Code, the Secretary of Defense may transfer not more than $3,000,000 of the funds referred to in subsection (a)(1).

(c) CODIFICATION OF AUTHORITY AND ADMINISTRATIVE PROVISIONS.—(1) Chapter 151 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2551. Humanitarian assistance

"(a) AUTHORIZED ASSISTANCE.—To the extent provided in defense authorization Acts and appropriations Acts, funds authorized to be appropriated to the Department of Defense for a fiscal year for humanitarian assistance shall be used for the purpose of providing transportation of humanitarian relief and for other humanitarian purposes worldwide.

"(b) AUTHORITY TO TRANSFER FUNDS.—To the extent provided in defense authorization Acts and appropriations Acts for a fiscal year, the Secretary of Defense may transfer to the Secretary of State funds appropriated for the purpose of this section to provide for—

"(1) the payment of administrative costs incurred in providing the transportation described in subsection (a); and

"(2) the purchase or other acquisition of transportation assets for the distribution of humanitarian relief supplies in the country of destination.

"(c) TRANSPORTATION OF HUMANITARIAN RELIEF.—(1) Transportation for humanitarian relief provided with funds appropriated for the purposes of this section shall be provided under the direction of the Secretary of State.

"(2) Transportation for humanitarian relief provided with funds appropriated for the purposes of this section shall be provided by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to provide transportation other than by the most economical means available. The means used to provide such transportation may include the use of aircraft and personnel of the reserve components of the armed forces.

"(d) AVAILABILITY OF FUNDS.—Funds appropriated for humanitarian assistance for the purposes of this section shall remain available until expended, to the extent provided in appropriation Acts.

"(e) STATUS REPORTS.—(1) The Secretary of Defense shall submit (at the times specified in paragraph (2)) to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report on the provision of humanitarian assistance pursuant to this section.

"(2)(A) Whenever there is enacted a defense authorization Act that contains an authorization of appropriations for humanitarian assistance, a report referred to in paragraph (1) shall be submitted as provided in that paragraph not later than 60 days after the date of the enactment of that Act.

"(B) In addition to reports submitted as provided in subparagraph (A), a report shall be submitted under paragraph (1) not later than June 1 of each year.

"(3) Each report required by paragraph (1) shall cover all provisions of law, contained in defense authorization Acts, that authorize appropriations for humanitarian assistance to be available for the purposes of this section. A report submitted after all amounts appropriated pursuant to such a provision of law have been obligated shall not cover that provision of law.

"(4) Subject to paragraph (3), a report required by paragraph (1) shall contain (as of the date on which the report is submitted) the following information:

"(A) The total amount of funds obligated for humanitarian relief under this section.

"(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under this section.

"(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of this title.

"(f) REPORT REGARDING RELIEF FOR UNAUTHORIZED COUNTRIES.—In any case in which the Secretary of Defense provides for the transportation of humanitarian relief to a country to which the transportation of humanitarian relief has not been specifically authorized by law, the Secretary shall notify the Committees on Appropriations and on Armed Services of the Senate and House of Representatives of the Secretary's intention to transport humanitarian relief to that country. The notification shall be submitted not less than 15 days before the commencement of the transportation of the humanitarian relief to that country.

"(g) DEFINITION.—In this section, the term 'defense authorization Act' means an Act that authorizes appropriations for one or more fiscal years for military activities of the Department of Defense, including the activities described in paragraph (7) of section 114(a) of this title.".

(2) The table of sections at the beginning of chapter 151 of such title is amended by adding at the end the following new item:

"2551. Humanitarian assistance.".

(d) REPEAL OF SUPERSEDED REPORTING REQUIREMENT.—Section 304 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1333) is amended by striking out subsection (f).

SEC. 305. SUPPORT FOR THE 1994 WORLD CUP GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1994 World Cup Games to be held in the United States.

(b) PAY AND NONTRAVEL-RELATED ALLOWANCES.—(1) Except as provided in paragraph (2), the costs for pay and nontravel-related allowances of members of the Armed Forces for the support and services referred to in subsection (a) may not be charged to appropriations made pursuant to the authorization in section 301(21).

(2) Paragraph (1) does not apply in the case of members of a reserve component called or ordered to active duty to provide logistical support and personnel services for the 1994 World Cup Games.

SEC. 306. TRANSFER AUTHORITY.

(a) AUTHORITY.—The Secretary of Defense, to the extent provided in appropriations Acts, may transfer funds as provided in this section during fiscal year 1993.

(b) FROM THE DEFENSE BUSINESS OPERATIONS FUND.—(1) Not more than $3,054,000,000 may be transferred from the Defense Business Operations Fund to appropriations for operations and maintenance for fiscal year 1993 in amounts as follows:

(A) For the Army, $2,229,000,000.

(B) For the Navy, $94,500,000.

(C) For the Marine Corps, $58,500,000.

(D) For the Air Force, $672,000,000.

(2) A transfer under this subsection may be made only—

(A) to the extent that the military department concerned has received credit on the books of the Defense Business Operations Fund for unneeded secondary items returned to the Fund by that military department; or

(B) if the Secretary of Defense certifies to the congressional defense committees that the military department concerned has, to the greatest extent practicable, returned for credit on the books of the Defense Business Operations Fund all secondary items not needed by that military department that were under the control of such military department on October 1, 1992.

(c) FROM THE NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.—Not more than $612,000,000 may be transferred from the National Defense Stockpile Transaction Fund to appropriations for operation and maintenance of Defense Agencies for fiscal year 1993.

(d) 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;

(2) shall be deemed to increase the amount authorized to be appropriated for the account to which the amount is transferred by an amount equal to the amount transferred; and

(3) may not be expended for an item that has been denied authorization of appropriations by Congress.

(e) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—An increase under subsection (d)(2) in an amount authorized to be appropriated is in addition to an increase in that amount that results from a transfer of an authorization of appropriations pursuant to section 1001.

Subtitle B—Environmental Provisions

SEC. 311. EVALUATION OF USE OF OZONE-DEPLETING SUBSTANCES BY THE DEPARTMENT OF DEFENSE.

(a) EVALUATION OF USE OF CLASS I SUBSTANCES.—The Director of the Defense Logistics Agency shall evaluate the use of class I substances by the military departments and Defense Agencies. In carrying out the evaluation, the Director shall—

(1) determine the quantity of each class I substance that—

(A) is held in the inventory of each military department and Defense Agency on December 31, 1992;

(B) will be used by each military department and Defense Agency during 1992; and

(C) will be used by each military department and Defense Agency in each of 1993, 1994, and 1995;

(2) determine the quantity of each class I substance in the inventory of the military departments and Defense Agencies in each of 1993, 1994, and 1995 that can be reclaimed or recycled and reused by the military departments and Defense Agencies;

(3) determine the type and quantity of class I substances whose use will be critical to the missions of the military departments and Defense Agencies after 1995;

(4) determine the type and quantity of class I substances that must be stockpiled after 1995 in order to ensure the availability of such substances, including the availability of used, reclaimed, or recycled class I substances for the missions referred to in paragraph (3);

(5) review the plans, if any, to reclaim, recycle, reuse, and maintain the stockpile referred to in paragraph (4); and

(6) identify each specific site, facility, or vessel in connection with which the President will seek an exemption pursuant to section 604(f) of the Clean Air Act (42 U.S.C. 7671c(f)) to permit the continued production or use of class I substances, and the type and quantity of each class I substance that will be produced or used in connection with the site, facility, or vessel.

(b) EVALUATION OF USE OF CLASS II SUBSTANCES.—The Director of the Defense Logistics Agency shall evaluate the use of class II substances by the military departments and Defense Agencies. In carrying out the evaluation, the Director shall—

(1) determine the quantity of each class II substances that—

(A) is held in the inventory of each military department and Defense Agency on December 31, 1992;

(B) will be used by each military department and Defense Agency during 1992; and

(C) will be used by each military department and Defense Agency in each of 1993, 1994, and 1995; and

(2) determine the quantity of each class II substance in the inventory of the military departments and Defense Agencies in each of 1993, 1994, and 1995 that can be reclaimed or recycled and reused by the military departments and Defense Agencies.

(c) REPORT.—(1) The Director of the Defense Logistics Agency shall submit to the congressional defense committees a report on the status of the evaluation required under subsection (a) not later than April 1, 1993.

(2) The Director of the Defense Logistics Agency shall submit to the congressional defense committees a report on the status of the evaluation required under subsection (b) not later than October 1, 1993.

(d) DEFINITIONS.—In this section: (1) the term "class I substance" means any substance listed under section 602(a) of the Clean Air Act (42 U.S.C. 7671a(a)).

(2) the term "class II substance" means any substance listed under section 602(b) of the Clean Air Act (42 U.S.C. 7671a(b)).

SEC. 312. REMOVAL OF REQUIREMENTS FOR USE OF CLASS I OZONE-DEPLETING SUBSTANCES IN CERTAIN MILITARY PROCUREMENTS.

(a) PROHIBITION ON CONTRACTS REQUIRING USE OF CLASS I OZONE-DEPLETING SUBSTANCES.—(1) No Department of Defense contract awarded, modified, amended, or extended on or after June 1, 1993, may include a specification or standard that requires the use of a class I ozone-depleting substance or that can be met only through the use of such a substance unless the inclusion of the specification or standard in the contract is approved by the senior acquisition official for the procurement covered by the contract. The senior acquisition official may grant the approval only if the senior acquisition official determines (based upon the certification of an appropriate technical representative of the official) that a suitable substitute for the class I ozone-depleting substance is not currently available.

(2) The senior acquisition official authorized to grant an approval under paragraph (1) shall be determined under regulations prescribed by the Secretary of Defense. A senior acquisition official may not delegate the authority provided in such paragraph.

(3) Beginning on October 1, 1993, each official who grants an approval authorized under paragraph (1) shall submit to the Secretary of Defense a quarterly report on all approvals granted during the quarter. The report shall include a brief description of the specifications or standards so approved.

(4) The Secretary shall promptly transmit to the Committees on Armed Services of the Senate and House of Representatives a compilation of the reports for each quarter that are submitted to the Secretary under paragraph (3). The Secretary shall transmit the compilation in classified and unclassified forms.

(b) COST RECOVERY.—In any case in which a Department of Defense contract is modified or a specification or standard for such a

contract is waived at the request of a contractor in order to permit the contractor to use in the performance of the contract a substitute for a class I ozone-depleting substance or an alternative technology for a technology involving the use of a class I ozone-depleting substance, the Secretary of Defense may reimburse the contractor for the reasonable direct costs incurred by the contractor in the use of such substitute or alternative technology, including costs to justify and obtain the modification or waiver and costs of converting to the use of the substitute substance or alternative technology for the performance of that contract. Reimbursements under this subsection shall be consistent with the Federal Acquisition Regulation.

(c) DEFINITION.—In this section, the term "class I ozone-depleting substance" means any substance listed under section 602(a) of the Clean Air Act Amendments of 1990 (42 U.S.C. 7671a(a)).

SEC. 313. RISK SHARING IN ENVIRONMENTAL RESTORATION CONTRACTS OF THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—Except as provided in paragraph (b), the Secretary of Defense may agree to hold harmless and indemnify any response action contractor for any liability arising out of the contractor's performance in carrying out or related to response actions under section 2701 of title 10, United States Code. Amounts expended pursuant to this section for indemnification of any response action contractor shall be considered governmental response costs.

(b) REQUIREMENT FOR RISK SHARING.—(1) Under regulations prescribed by the Secretary of Defense, the Secretary of a military department shall ensure, when appropriate, that contracts entered into by the Secretary of a military department for environmental restoration activities at military installations and former military installations provide for the military department and the contractors, subcontractors, and sureties on the contracts (and subcontracts under such contracts) to share the risk of liability resulting from such activities.

(2) PROHIBITION.—No contracts referred to in paragraph (1) shall provide indemnification to contractors for liability caused by the conduct of the contractor which was grossly negligent or which constituted intentional misconduct.

(3) LIMITATIONS.—A contract referred to in paragraph (1) which provides indemnification shall include deductibles and shall place limits on the amount of indemnification to be made available.

(c) AUTHORITY FOR CONTRACT PROVISION.—To carry out the requirement in subsection (b), the Secretary of a military department shall—

(1) identify the proposed contracts for environmental restoration activities at military installations and former military installations, or the portions of such proposed contracts, for which it is advisable to provide for the indemnification of the contractors, subcontractors, or sureties on the contracts (and any subcontractors of such contractors or subcontractors);

(2) include in the solicitations for proposals or bids for such contracts a clear statement that the United States will provide such indemnification to such contractors, subcontractors, and sureties; and

(3) in the event that the Secretary enters into such contracts, provide such indemnification.

(d) IMPLEMENTATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) prescribe regulations to carry out the requirements of this section; and

(2) submit to the Committees on Armed Services of the Senate and House of Representatives a plan for the implementation of such requirements.

(e) DEFINITION.—In this section, the term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

SEC. 314. REQUIREMENT FOR IDENTIFICATION OF LAND ON WHICH NO HAZARDOUS SUBSTANCES OR PETROLEUM PRODUCTS OR THEIR DERIVATIVES WERE STORED, RELEASED, OR DISPOSED OF.

Section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)) is amended by adding at the end the following new paragraph:

"(4) IDENTIFICATION OF UNCONTAMINATED PROPERTY.—(A) In the case of real property owned by the United States that is part of a military installation on which is located a site listed on the National Priority List and on which the United States plans to terminate military operations pursuant to a base closure law, the head of the department, agency, or instrumentality of the United States with jurisdiction over the property shall identify the real property on which neither hazardous substances nor petroleum products or their derivatives were stored for 1 year or more, are known to have been released, or were disposed of. Such identification shall be based on an investigation of the real property to determine or discover the presence or likely presence of a release or threatened release of any hazardous substance or any petroleum product and its derivative, including aviation fuel and motor oil, on the real property. The identification shall consist, at a minimum, of—

"(i) a completed preliminary assessment and site investigation; and

"(ii) a review of each of the following sources of information concerning the current and previous uses of the real property:

"(I) A detailed search of Federal Government records pertaining to the property.

"(II) The recorded chain of title documents regarding the real property.

"(III) Aerial photographs that may reflect prior uses of the real property and that are reasonably obtainable through State or local government agencies.

"(IV) A visual inspection of the real property and any buildings, structures, equipment, pipe, pipeline, or other improvements on the real property, and a visual inspection of properties immediately adjacent to the real property.

"(V) A physical inspection of property adjacent to the real property, to the extent permitted by owners or operators of such property.

"(VI) Reasonably obtainable Federal, State, and local government records of each adjacent facility where there has been a release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, and which is likely to cause or contribute to a release or threatened release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, on the real property.

"(VII) Interviews with current or former employees involved in operations on the real property.

Such identification shall also be based on sampling, if appropriate under the circumstances. The results of the identification shall be provided immediately to the Administrator and State and local government officials and made available to the public.

"(B) The identification required under subparagraph (A) shall not be complete until concurrence in the results of the identification is obtained from the Administrator and from the appropriate State official.

"(C) The identification required under subparagraph (A) shall be made not later than 18 months after the military installation is selected for closure pursuant to the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note) or within 1 year after the date of enactment of this section, whichever is later. The concurrence from an appropriate State official required under subparagraph (B) shall be deemed to be obtained if, within 90 days after receiving a request for the concurrence, the State official has not acted (by either concurring or declining to concur) on the request for concurrence.

"(D) In the case of the sale of or transfer of title of any parcel of real property identified under subparagraph (A), the deed entered into for the sale or transfer of such property by the United States to any other person or entity shall contain—

"(i) a covenant warranting that any response action or corrective action found to be necessary as a result of the discovery, after the date of such sale or transfer, of previously unidentified hazardous substances or petroleum derivatives that were released or disposed of as a result of the actions of previous Federal Government operations, shall be conducted by the United States; and

"(ii) a clause granting the United States access to the property in any case in which a response action or corrective action is found to be necessary after such date at such property, or such access is necessary to carry out a response action or corrective action on adjoining or other property.

"(E) The head of the department, agency, or instrumentality of the United States with jurisdiction over the real property subject to this section may sell, lease, or otherwise transfer any right, title, or interest to the real property identified under subparagraph (A) without regard to whether the real property is or has been listed as a site on the National Priorities List.

"(F) Nothing in this paragraph shall affect, preclude, or otherwise impair the termination of Federal Government operations on real property owned by the United States.

"(G) In this paragraph:

"(i) The term 'military installation' has the meaning given that term in section 2687(e)(1) of title 10, United States Code.

"(ii) The term 'base closure law' means the following:

"(I) The Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(II) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(III) Any provision of law authorizing the closure or realignment of a military installation that is enacted on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993.".

SEC. 315. CLARIFICATION OF COVENANT WARRANTING THAT REMEDIAL ACTION HAS BEEN TAKEN.

(a) CLARIFICATION.—Paragraph (3) of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(3)) is amended by adding after the last sentence the following: "For purposes of subparagraph (B)(i), all remedial action described in such sub-

paragraph has been taken if the construction and installation of an approved remedial design has been completed and the Administrator has determined that the remedy is operating properly and successfully. The carrying out of long-term pumping and treating, or operation and maintenance, after the Administrator has determined the remedy is operating properly and successfully, does not preclude the transfer of the property.".

(b) ACCESS TO PROPERTY.—Paragraph (3) of such section is further amended—

(1) by striking out the period at the end of subparagraph (B)(ii) and inserting in lieu thereof "; and"; and

(2) by adding after subparagraph (B) the following new subparagraph:

"(C) a clause granting the United States access to the property in any case in which a response action is found to be necessary at such property after the date of such transfer, or such access is necessary to carry out a response action on adjoining or other property after such date.".

SEC. 316. REQUIREMENT TO NOTIFY STATES OF CERTAIN LEASES.

Section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)), as amended by section 314, is further amended by adding at the end the following new paragraph:

"(5) NOTIFICATION OF STATES REGARDING CERTAIN LEASES.—(A) In the case of real property owned by the United States and used as a military facility on which any hazardous substance or any petroleum product or its derivatives (including aviation fuel and motor oil) was stored for one year or more, is known to have been released, or was disposed of, and on which the United States plans to terminate military operations pursuant to a base closure law, the head of the department, agency, or instrumentality of the United States having jurisdiction over the property shall notify the State in which the property is located of any lease entered into by the United States that will encumber the property beyond the date of termination of operations on the property. Such notification shall be made to the State at least 90 days before entering into the lease and shall include the length of the lease, the name of the person to whom the property is leased, and a description of the uses that will be allowed under the lease of the property and buildings and other structures on the property.

"(B) In subparagraph (A), the term 'base closure law' means the following:

"(i) The Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(ii) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(iii) Any provision of law authorizing the closure or realignment of a military installation that is enacted on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993.".

SEC. 317. INDEMNIFICATION OF TRANSFEREES OF CLOSING DEFENSE PROPERTY.

(a) IN GENERAL.—(1) Except as provided in subsection (b), the Secretary of Defense shall hold harmless, defend, and indemnify in full the persons and entities described in paragraph (2) from and against all suits, claims, demands or actions, liabilities, judgments, and costs and other fees arising out of, or in any manner predicated upon, the release or threatened release of any hazardous substance or pollutant or contaminant as a result of Department of Defense activities at any military installation (or portion thereof) that is closed pursuant to a base closure law.

(2) The persons and entities described in this paragraph are the following:

(A) Any State (including any officer, agent, or employee of the State) that acquires ownership or control of any facility at a military installation (or any portion thereof) described in paragraph (1).

(B) Any political subdivision of a State (including any officer, agent, or employee of the State) 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).

(b) EXCEPTION.—(1) The Secretary of Defense shall not hold harmless, defend, or indemnify any person or entity described in subsection (a)(2) from any suit, claim, demand or action, liability, judgment, or cost or other fee arising out of a release or threatened release described in subsection (a)(1) to the extent that such person or entity (or any officer, agent, or employee of the entity) caused or contributed to such release or threatened release.

(2) No indemnification may be afforded under this provision 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) immediately furnishes to the Department of Defense copies of all pertinent papers the entity receives;

(C) furnishes evidence or proof of any claim, loss, or damage covered by this section in the manner and form the Department of Defense requires;

(D) complies with the directions of the Department of Defense and executes any authorizations in connection with the settlement or defense of the claim or action; and

(E) cooperates fully and completely with the Department of Defense, and provides to the Department of Defense, upon request, all manner of assistance, including access to the records and personnel of the entity, in defense or settlement of the claim or action.

(c) DEFINITIONS.—In this section:

(1) The terms "facility", "hazardous substance", "release", and "pollutant or contaminant" have the meanings given such terms under paragraphs (9), (14), (22), and (33) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, respectively (42 U.S.C. 9601 (9), (14), (22), and (33)).

(2) The term "military installation" has the meaning given such term under section 2687(e)(1) of title 10, United States Code.

(3) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(D) Any provision of law authorizing the closure or realignment of a military installation enacted on or after the date of the enactment of this Act.

SEC. 318. PROHIBITION ON USE OF ENVIRONMENTAL RESTORATION FUNDS FOR PAYMENT OF FINES AND PENALTIES.

None of the funds appropriated for fiscal year 1993 pursuant to the authorization of appropriations in section 301(16) may be used for the payment of fines or penalties unless the act or omission for which a fine or penalty is imposed arises out of activities funded by that appropriation.

SEC. 319. MODIFICATION OF CONTRACT INDEMNIFICATION AUTHORITY.

(a) MODIFICATION OF AUTHORITY.—Subsection (a) of section 2354 of title 10, United States Code, is amended by inserting "or any contract or contract under a program (including contracts for activities other than research and development) carried out under chapter 160 of this title," after "or both,".

(b) PAYMENT AUTHORITY.—Subsection (d)(2) of such section is amended by inserting "or for contracts or programs carried out under chapter 160 of this title, as the case may be," after "or both,".

SEC. 320. EXTENSION OF AUTHORITY TO ISSUE SURETY BONDS FOR CERTAIN ENVIRONMENTAL PROGRAMS.

(a) TITLE 10.—Section 2701(j) of title 10, United States Code, is amended by striking out "December 31, 1992" and inserting in lieu thereof "December 31, 1995".

(b) CERCLA.—Section 119 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619) is amended—

(1) in subsection (e)(2)(C), by striking out "January 1, 1993" and inserting in lieu thereof "January 1, 1996,"; and

(2) in subsection (g)(5), by striking out "December 31, 1992" and inserting in lieu thereof "December 31, 1995".

SEC. 321. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTIES FOR THE DEPARTMENT OF DEFENSE.

(a) PROHIBITION.—No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1993 may be obligated or expended for the purchase of surety bonds or other guaranties of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

(b) TECHNICAL AMENDMENT.—Section 335 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1342) is amended by striking out "or fiscal year 1993".

SEC. 322. LEGACY RESOURCE MANAGEMENT FELLOWSHIP PROGRAM.

(a) ESTABLISHMENT.—There is established the Legacy Fellowship Program in Natural and Cultural Resource Management (in this section referred to as the "Legacy Fellowship Program"). The Legacy Fellowship Program is a part of the Legacy Resource Management Program established pursuant to section 8120 of the Department of Defense Appropriations Act, 1991 (Public Law 101-511; 104 Stat. 1905).

(b) PURPOSES.—The purposes of the Legacy Fellowship Program are as follows:

(1) To support the purposes of the Legacy Resource Management Program set forth in section 8120(b) of such Act.

(2) To provide training to civilian personnel and military personnel in the management of natural and cultural resources.

(c) FELLOWS.—(1) The Legacy Fellowship Program shall be composed of not less than 3 fellows who shall be appointed by the Deputy Assistant Secretary of Defense for Environment. Such fellows shall be appointed from among qualified persons in the military and civilian sectors.

(2)(A) Each fellow who is an officer or employee of the United States shall serve without compensation in addition to that received for the services as an officer or employee of the United States. Any such service shall be without interruption or loss of civil service status or privilege.

(B) The Deputy Assistant Secretary of Defense shall fix (in an amount the Deputy Assistant Secretary determines appropriate) the compensation of the fellows, if any, who are not officers or employees of the United States. Such fellows shall not be considered employees of the Federal Government other than for purposes of chapter 81 of title 5, United States Code.

(3) Fellows shall serve for a term of one year and may be reappointed for an additional term of one year.

(4) The Deputy Assistant Secretary of Defense shall assign the fellows to an agency, office, or other entity (other than the Office of the Deputy Assistant Secretary of Defense for Environment) that is responsible for the implementation of the Legacy Resource Management Program in the Department of Defense. Upon assignment, the fellow shall assist the agency, office, or entity in carrying out the purposes of the Legacy Resource Management Program.

(d) FUNDING.—Of the funds authorized to be appropriated in fiscal year 1993 for the Department of Defense and made available for the Legacy Resource Management Program, $100,000 may be used for the Legacy Fellowship Program. Such funds shall be available for obligation without fiscal year limitation.

SEC. 323. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.

In addition to the amounts otherwise authorized to be appropriated for fiscal years 1992 and 1993 in this Act there is authorized to be appropriated for such fiscal years—

(1) for Environmental Restoration, Defense, the total amount of $447,500,000; and

(2) for the Department of Defense Base Closure Account 1990 the total amount of $35,000,000.

Subtitle C—Defense Economic Diversification, Conversion, and Stabilization

SEC. 331. REVISION OF AUTHORITIES RELATING TO THE ECONOMIC ADJUSTMENT COMMITTEE.

(a) PERMANENT CHAIRMAN.—Subsection (b) of section 4004 of the Defense Economic Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101-510; 10 U.S.C. 2391 note) is amended to read as follows:

"(b) CHAIRMAN.—The Secretary of Defense shall be the Chairman of the Committee.".

(b) EXECUTIVE COUNCIL.—Section 4004 of such Act is further amended—

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

(2) by adding after subsection (b) the following new subsection (c):

"(c) EXECUTIVE COUNCIL.—The Chairman shall establish an Executive Council of the Committee from appropriate representatives of the Department of Defense, the Department of Commerce, the Department of Labor, and the Small Business Administration. Under the direction of the Chairman, the Executive Council shall develop policies and procedures to ensure that communities, businesses, and workers substantially and seriously affected by reductions in defense expenditures are advised of the assistance available to such communities, businesses, and workers under programs administered by such departments and that agency.".

(c) NOTIFICATION OF ECONOMIC ADJUSTMENT PLANNING.—Section 4101(a) of such Act is amended—

(1) by striking out paragraph (1);

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

(3) by striking out "or" at the end of paragraph (1) (as so redesignated);

(4) by striking out the period at the end of paragraph (2) (as so redesignated) and inserting in lieu thereof "; or"; and

(5) by adding at the end the following new paragraph (3):

"(3) the lack of any follow-on contracts or other defense-related contract activity.".

SEC. 332. AUTHORIZATIONS OF APPROPRIATIONS FOR CERTAIN DEFENSE STABILIZATION ACTIVITIES.

(a) ASSISTANCE THROUGH THE ECONOMIC DEVELOPMENT ADMINISTRATION.—Section 4103(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2391 note) is amended by inserting "and for fiscal year 1993 $150,000,000" after "$50,000,000".

(b) DEFENSE CONVERSION ADJUSTMENT.—Section 4203(a) of such Act (10 U.S.C. 2391 note) is amended by inserting "and $50,000,000 for fiscal year 1993" after "fiscal year 1991".

SEC. 333. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Defense, in consultation with the Secretary of Education, shall provide financial assistance to local educational agencies in States as provided in this section.

(b) SCHOOLS WITH SIGNIFICANT NUMBERS OF MILITARY DEPENDENT STUDENTS.—(1) The Secretary of Defense shall provide financial assistance to an eligible local educational agency if, without such assistance, that agency will be unable (as determined by the Secretary of Defense in consultation with the Secretary of Education) to provide the students in the schools of the agency with a level of education that is equivalent to the minimum level of education available in the schools of the other local educational agencies in the same State.

(2) A local educational agency is eligible for assistance under this subsection for a fiscal year if—

(A) at least 30 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools of that agency in that fiscal year are military dependent students described in section 3(a) or 3(b) of Public Law 81-874 (20 U.S.C. 238(a)); or

(B) by reason of a consolidation or reorganization of local educational agencies, the local educational agency is a successor of a local educational agency that, for fiscal year 1992—

(i) was eligible to receive payments in accordance with Department of Defense Instruction 1342.18, dated June 3, 1991; and

(ii) satisfied the requirement in subparagraph (A).

(c) ADJUSTMENT PAYMENTS RELATED TO BASE CLOSURES AND REALIGNMENTS.—To assist communities in making adjustments resulting from reductions in the size of the Armed Forces, the Secretary of Defense shall transfer to the Secretary of Education funds to make payments to local educational agencies that are entitled to receive under section 3 of Public Law 81-874 (20 U.S.C. 238) payments adjusted in accordance with subsection (e) of such section by reason of conditions described in subparagraphs (A) through (C) of paragraph (1) of such subsection that result from closures and realignments of military installations.

(d) REPORT ON IMPACT OF BASE CLOSURES ON EDUCATIONAL AGENCIES.—(1) Not later than February 15 of each of 1993, 1994, and 1995, the Secretary of Defense, in consultation with the Secretary of Education, shall submit to Congress a report on the local educational agencies affected by the closures and realignment of military installations and by redeployments of members of the Armed Forces.

(2) Each report shall contain the following:

(A) The number of dependent children of members of the Armed Forces or civilian employees of the Department of Defense who entered the schools of the local educational agencies during the preceding school year as a result of closures, realignments, or redeployments.

(B) The number of dependent children of such members or employees who withdrew from the schools of the local educational agencies during that school year as a result of closures, realignments, or redeployments.

(C) The amounts paid to the local educational agencies during that year under Public Law 81-874 (20 U.S.C. 236 et seq.) or any other provision of law authorizing the payment of financial assistance to local communities or local educational agencies on the basis of the presence of dependent children of such members or employees in such communities and in the schools of such agencies.

(D) The projected transfers of such members and employees in connection with closures, realignments, and redeployments during the 12-month period beginning on the date of the report, including—

(i) the installations to be closed or realigned;

(ii) the installations to which personnel will be transferred as a result of closures, realignments, and redeployments; and

(iii) the effects of such transfers on the number of dependent children who will be included in determinations with respect to the payment of funds to each affected local educational agency under subsections (a) and (b) of section 3 of Public Law 81-874 (20 U.S.C. 238).

(e) DEFINITIONS.—In this section:

(1) The term "local education agency" has the meaning given that term in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)).

(2) The term "State" has the meaning given that term in section 3(d)(3)(D)(i) of Public Law 81-874 (20 U.S.C. 238(d)(3)(D)(i)).

(3) The term "military dependent student" means a student that is a dependent child of a member of the Armed Forces.

(f) FUNDING.—Of the amounts appropriated for the Department of Defense for operation and maintenance in fiscal year 1993 pursuant to the authorization of appropriations in section 301—

(1) $50,000,000 shall be available for providing assistance to local educational agencies under subsection (b); and

(2) $8,000,000 shall be available for making payments to local educational agencies under subsection (c).

SEC. 334. IMPACT AID.

Section 3(e)(1) of Public Law 81-874 (20 U.S.C. 238(e)(1)) is amended in the matter following subparagraph (C) by inserting "shall not be less than 100 percent of the payment such agency received under subsections (a) and (b) for the preceding fiscal year," after "for such fiscal year".

SEC. 335. EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS.

(a) USE OF FUNDS.—Section 325(c) of such Act (29 U.S.C. 1662d(c)) is amended to read as follows:

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—Grants made under subsection (a) may be used for any purpose for which funds may be used under section 314 or this part.

"(2) RESERVATION.—

"(A) IN GENERAL.—The Secretary shall reserve at least 10 percent of the funds appropriated to carry out this section for the purpose of making grants to States under subsection (a) to provide the reimbursement described in subparagraph (B).

"(B) REIMBURSEMENT.—A grant described in subparagraph (A) may be used to reimburse a State for the funds reserved by the State, pursuant to section 302(c), that—

"(i) are expended for rapid response assistance and basic readjustment services (not including support services) described in paragraphs (1) and (2) of section 314(a), respectively; and

"(ii) are delivered to eligible dislocated workers adversely affected by reductions in expenditures by the United States for defense or by closures of United States military installations, as determined in accordance with regulations of the Secretary of Defense.".

(b) NOTICE REQUIREMENTS.—Section 325 of such Act (42 U.S.C. 1662d) is amended by adding at the end the following new subsections:

"(e) NOTICE REQUIREMENTS.—

"(1) SECRETARY OF DEFENSE NOTICE REQUIREMENT.—To the extent practicable, the Secretary of Defense shall provide 6 months advance notice to a defense contractor of any cancellation of, or substantial reduction in, a defense contract, that will adversely affect the defense contractor.

"(2) DEFENSE CONTRACTOR NOTICE REQUIREMENT.—Not later than 2 weeks after a defense contractor receives notice under paragraph (1) of the cancellation of, or substantial reduction in, a defense contract, the contractor shall provide notice of such cancellation or substantial reduction to—

"(A)(i) each representative of employees whose work is directly related to the contract that is being canceled or substantially reduced and who are employed by the defense contractor; or

"(ii) if there is no such representative at that time, each such employee;

"(B) the State dislocated worker unit or office described in section 311(b)(2) and the chief elected official of the unit of general local government within which such adverse effect may occur.

"(3) CONSTRUCTIVE NOTICE OF TERMINATION FOR EMPLOYEES.—The notice provided under paragraph (2)(A) to the employees of a defense contractor shall be considered to be notice of termination to the employees for the purposes of determining whether such employees are eligible dislocated workers under this title, except where the employer has specified that the loss of such contract is not likely to result in plant closure or mass layoff. Any employee considered to be such a worker solely on the basis of such notice shall be eligible to receive services under section 314(b) and under paragraphs (1) through (14) of section 314(c).

"(4) DEFENSE CONTRACTOR.—For purposes of this subsection, the term 'defense contractor' means a private person producing goods or services pursuant to—

"(A) one or more defense contracts for not less than $500,000 entered into with the Department of Defense; or

"(B) one or more subcontracts—

"(i) entered into in connection with a defense contract; and

"(ii) for a total amount of not less than $500,000.".

SEC. 336. POLICY TO EXPEDITE ASSISTANCE.

(a) TRANSFERS.—In each case in which the Secretary of Defense is required under this Act or an amendment made by this Act to transfer funds to another department or agency of the Federal Government for the purpose of funding programs that provide assistance to recipients adversely affected by reduced spending by the Department of Defense, including communities and local educational agencies adversely affected by closures and realignments of military installations, and in each case in which the Secretary is authorized to make such a transfer and exercises the authority to do so, the Secretary shall make the transfer as expeditiously as is practicable.

(b) SPENDING.—In each case in which the Secretary of Defense is required under this Act or an amendment made by this Act to provide assistance to recipients adversely affected by reduced spending by the Department of Defense, including communities and local educational agencies adversely affected by closures and realignments of military installations, and in each case in which the Secretary is authorized to provide that assistance and exercises the authority to do so, the Secretary shall make the funds available for providing that assistance as expeditiously as is practicable. The Secretary shall expedite the processing of applications and other requests for such assistance, including applications for grants.

SEC. 337. ECONOMIC ADJUSTMENT PLANNING ASSISTANCE.

Notwithstanding any other provision of law, of the amount authorized to be appropriated to the Department of Defense for fiscal year 1993 for the Office of Economic Adjustment, 10 percent of such amount shall be available for providing financial assistance for economic adjustment planning in geographic areas in which a substantial portion of the economic activity or the population is dependent on Department of Defense expenditures, as determined by the Secretary of Defense.

Subtitle D—Department of Defense Civilian Personnel Transition Initiatives

SEC. 341. REEMPLOYMENT IN THE COMPETITIVE SERVICE.

(a) REEMPLOYMENT AFTER REDUCTION IN FORCE.—Subchapter I of chapter 35 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 3505. Reemployment after reduction in force for certain employees

"(a) For purposes of this section, the term—

"(1) 'employee' means an employee of the Department of Defense, including each military department, serving under an appointment without time limitation, who has been currently employed for a continuous period of at least 12 months; and

"(2) 'Secretary concerned' means—

"(A) the Secretary of the Army with respect to employees of the Department of the Army;

"(B) the Secretary of the Navy with respect to employees of the Department of the Navy;

"(C) the Secretary of the Air Force with respect to employees of the Department of the Air Force; and

"(D) the Secretary of Defense with respect to all other employees of the Department of Defense.

"(b) Subject to the provisions of subsection (c), if the Secretary concerned separates an employee from employment under regulations for a reduction in force under section 3502(a) of this title, and within 2 years after the date of such separation—

"(1) seeks to employ a person for a position in the competitive area which was the employee's competitive area at the time of the separation and the separated employee is qualified for appointment to that position, the Secretary shall offer the separated employee reemployment in such position before offering employment to any other person for such position; or

"(2) seeks to employ a person for the position from which such employee was separated or to perform the duties performed by such employee, the Secretary may not employ a contract employee or a temporary employee for such position or to perform the duties which were performed by the separated employee.

"(c) If the Secretary concerned separates employees from employment in positions in a competitive area under regulations for a reduction in force under section 3502(a) of this title, and within 2 years after the date of the last such separation seeks to employ persons in all or some of such positions, but not in a sufficient number to result in the reemployment of all such separated employees, the Secretary, before offering employment in any of those positions to any other persons, shall offer such separated employees (if qualified) reemployment in accordance with sections 3309 through 3317 of this title (and any other provision of law relating to the employment of preference eligibles) and on the basis of seniority in Federal Service.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 35 of title 5, United States Code, is amended by inserting after the item relating to section 3504 the following:

"3505. Reemployment after reduction in force for certain employees.".

SEC. 342. REEMPLOYMENT ASSISTANCE.

(a) REQUIREMENT THAT A GOVERNMENT-WIDE LIST OF VACANT POSITIONS BE MAINTAINED.—(1)(A) Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

"§ 3329. Government-wide list of vacant positions

"(a) For the purpose of this section, the term 'agency' means an Executive agency, excluding the General Accounting Office and any agency (or unit thereof) whose principal function is the conduct of foreign intelligence or counterintelligence activities, as determined by the President.

"(b) The Office of Personnel Management shall establish and keep current a comprehensive list of all announcements of vacant positions in the competitive service within each agency that are to be filled by appointment for more than one year and for which applications are being (or will soon be) accepted from outside the agency's work force.

"(c) Included for any position listed shall be—

"(1) a brief description of the position, including its title, tenure, location, and rate of pay;

"(2) application procedures, including the period within which applications may be submitted and a contact point for additional information; and

"(3) any other information which the Office considers appropriate.

"(d) The list shall be available to members of the public.

"(e) The Office shall prescribe such regulations as may be necessary to carry out this section. Any requirement under this section

that agencies notify the Office as to the availability of any vacant positions shall be designed so as to avoid any duplication of information otherwise required to be furnished under section 3327 of this title or any other provision of law.".

(B) The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by inserting after the item relating to section 3328 the following:

"3329. Government-wide list of vacant positions.".

(2) No later than 120 days after the date of the enactment of this Act, the Director of the Office of Personnel Management shall begin providing the information on the list referred to in section 3329 of title 5, United States Code (as added by this subsection) by means of a toll-free telephone number (commonly referred to as an 800 number).

(b) TEMPORARY MEASURES TO FACILITATE REEMPLOYMENT OF CERTAIN DISPLACED FEDERAL EMPLOYEES.—(1) For the purpose of this subsection—

(A) the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), excluding the General Accounting Office and the Department of Defense; and

(B) the term "displaced employee" means any individual who is—

(i) an employee of the Department of Defense who has been given specific notice that such employee is to be separated due to a reduction in force; or

(ii) a former employee of the Department of Defense who was involuntarily separated therefrom due to a reduction in force.

(2) In accordance with regulations which the Office of Personnel Management shall prescribe, consistent with otherwise applicable provisions of law, an agency shall, in filling a vacant position for which a qualified displaced employee has applied in timely fashion, give full consideration to the application of the displaced employee before selecting any applicant for employment from outside the agency for the position.

(3) A displaced employee is entitled to consideration in accordance with this subsection for the 12-month period beginning on the date such employee receives the specific notice referred to in paragraph (1)(B)(i), except that, if the employee is separated pursuant to such notice, the right to such consideration shall continue through the end of the 12-month period beginning on the date of separation.

(4)(A) This subsection shall apply to any individual who—

(i) became a displaced employee within the 12-month period ending immediately before the date of enactment of this Act; or

(ii) becomes a displaced employee on or after the date of enactment of this Act and before October 1, 1997.

(B) In the case of a displaced employee described in subparagraph (A)(i), for purposes of computing any period of time under paragraph (3), the date of the specific notice described in paragraph (1)(B)(i) (or, if the employee was separated as described in paragraph (1)(B)(ii) before the date of enactment of this Act, the date of separation) shall be deemed to have occurred on such date of enactment.

(C) Nothing in this subsection shall be considered to apply with respect to any position—

(i) which has been filled as of the date of enactment of this Act; or

(ii) which has been excepted from the competitive service because of its confidential, policy-determining, policy-making or policy-advocating character.

SEC. 343. REDUCTION-IN-FORCE NOTIFICATION REQUIREMENTS.

(a) IN GENERAL.—Section 3502 of title 5, United States Code, is amended by adding at the end the following:

"(d)(1) Except as provided in subsection (e), an employee may not be released from employment due to a reduction in force, unless—

"(A) such employee and such employee's exclusive representative for collective-bargaining purposes (if any) are given written notice, in conformance with the requirements of paragraph (2), at least 60 days before such employee is so released; and

"(B) if the reduction in force would involve the separation of a significant number of employees, the requirements of paragraph (3) are met at least 60 days before any employee is so released.

"(2) Any notice under paragraph (1)(A) shall include—

"(A) the personnel action to be taken with respect to the employee involved;

"(B) the effective date of the action;

"(C) a description of the procedures applicable in identifying employees for release;

"(D) the employee's ranking relative to other competing employees, and how that ranking was determined; and

"(E) a description of any appeal or other rights which may be available to the employee.

"(3) Notice under paragraph (1)(B)—

"(A) shall be given to—

"(i) the appropriate State dislocated worker unit or units (referred to in section 311(b)(2) of the Job Training Partnership Act (29 U.S.C. 1661(b)(2)); and

"(ii) the chief elected official of such unit or each of such units of local government as may be appropriate; and

"(B) shall consist of written notification as to—

"(i) the number of employees to be separated from service due to the reduction in force (broken down by geographic area or on such other basis as may be required under the regulations prescribed pursuant to paragraph (4));

"(ii) when those separations shall occur; and

"(iii) any other matter which might facilitate the delivery of rapid response assistance or other services under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

"(4) The Office shall prescribe such regulations as may be necessary to carry out this subsection. The Office shall consult with the Secretary of Labor on matters relating to the Job Training Partnership Act.

"(e)(1) Subject to paragraph (3), upon request submitted under paragraph (2), the President may, in writing, shorten the period of advance notice required under subsection (d)(1) (A) and (B), with respect to a particular reduction in force, if necessary because of circumstances not reasonably foreseeable.

"(2) A request to shorten notice periods shall be submitted to the President by the head of the agency involved and shall indicate the reduction in force to which the request pertains, the number of days by which the agency head requests that the periods be shortened, and the reasons why the request is necessary.

"(3) No notice period may be shortened to less than 30 days under this subsection.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to any personnel action taking effect on or after the last day of the 90-day period beginning on the date of enactment of this Act.

SEC. 344. ALLEVIATION OF ADVERSE EFFECTS OF BASE CLOSURES ON EMPLOYEES AT THE BASE.

(a) 1990 CLOSURE AND REALIGNMENT ACT.—Section 2905 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 subsection:

"(e) ASSISTANCE FOR ADVERSELY AFFECTED EMPLOYEES.—(1) Unless a civilian employee of the Department of Defense employed at a military installation being closed or realigned under this part earlier receives an actual notice of termination, the date determined by the Secretary of Defense under paragraph (2) shall be considered to be the date of notice of termination to the employee for purposes of determining the employee's eligibility for assistance under the defense conversion adjustment program under section 325 of the Job Training Partnership Act (29 U.S.C. 1662d).

"(2) The date referred to in paragraph (1) is the date that is 12 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.".

(b) 1988 CLOSURE AND REALIGNMENT ACT.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(d) ASSISTANCE FOR ADVERSELY AFFECTED EMPLOYEES.—(1) Unless a civilian employee of the Department of Defense employed at a military installation being closed or realigned under this part earlier receives an actual notice of termination, the date determined by the Secretary of Defense under paragraph (2) shall be considered to be the date of notice of termination to the employee for purposes of determining the employee's eligibility for assistance under the defense conversion adjustment program under section 325 of the Job Training Partnership Act (29 U.S.C. 1662d).

"(2) The date referred to in paragraph (1) is the date that is 12 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.".

SEC. 345. OTHER EMPLOYEE ASSISTANCE.

(a) DEPARTMENT OF DEFENSE EMPLOYEE SEPARATION BENEFITS.—(1) Subchapter IX of chapter 55 of title 5, United States Code, is amended by adding at the end the following:

"§ 5597. Employee separation benefits for certain employees

"(a) For purposes of this section, the term—

"(1) 'employee' means an employee of the Department of Defense, including each military department, serving under an appointment without time limitation who has been currently employed for a continuous period of at least 12 months; and

"(2) 'Secretary concerned' means—

"(A) the Secretary of the Army with respect to an employee of the Department of the Army;

"(B) the Secretary of the Navy with respect to an employee of the Department of the Navy;

"(C) the Secretary of the Air Force with respect to an employee of the Department of the Air Force; and

"(D) the Secretary of Defense with respect to all other employees of the Department of Defense.

"(b) The Secretary concerned may authorize the payment of a civilian employee separation benefit to an employee who separates

voluntarily from employment, by retirement or resignation, in accordance with the provisions of this section and any regulations prescribed by such Secretary.

"(c) Subject to subsection (g), a civilian employee separation benefit under this section may be offered to—

"(1) all employees at an installation or organization of the Department of Defense that is to be closed or reduced in force;

"(2) all employees in one or more occupational series or grades, or combinations or subdivisions thereof, at an installation or organization of the Department of Defense, when the Secretary concerned determines that the voluntary separation of such employee would—

"(A) increase placement opportunities for other employees affected by the closure or reorganization of installations or organizations of the Department of Defense;

"(B) reduce the need for involuntary separations as a result of such closure or reorganization; or

"(C) otherwise serve the personnel management needs of the Department of Defense.

"(d) An offer of a civilian employee separation benefit under this section shall be limited to a specific period of time, and the benefit shall be payable only to an employee whose voluntary separation, by resignation, or retirement, is effective during such period.

"(e) A civilian employee separation benefit under this section shall be paid in a lump sum, and shall be the lesser of—

"(1) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of this title if the employee were entitled to payment under such section; or

"(2) $20,000.

"(f)(1) The Secretary concerned shall take such actions as may be necessary to ensure that any employee to whom a civilian employee separation benefit is offered under this section is able to consider such offer freely without duress or coercion of any kind.

"(2) A declination of an offer of a civilian employee separation benefit under this section shall not have any effect on an employee's rights and benefits under any other provision of law.

"(g) An employee who retires entitled to an immediate annuity under section 8336 (other than under subsection (d)) or 8412 of this title is not eligible to receive a separation benefit under this section.

"(h) The Secretary concerned may prescribe such regulations as he determines necessary for the administration of this section.

"(i) No civilian employee separation benefit may be paid under this section with respect to a separation occurring after December 31, 1997.".

(2) The table of sections at the beginning of chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5596 the following:

"5597. Employee separation benefits for certain employees.".

(b) RESTORATION OF CERTAIN LEAVE.—Section 6304(d) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(3) For the purpose of this subsection, the closure of an installation of the Department of Defense, during the period beginning on October 1, 1992, and ending on December 31, 1997, shall be deemed to create an exigency of the public business and any leave that is lost by an employee of such installation by operation of this section (regardless of whether such leave was scheduled) shall be restored to the employee and shall be credited and available in accordance with paragraph (2).".

(c) REPORT.—At the end of each of fiscal year 1993 through fiscal year 1998, the Secretary of Defense shall submit to the President, the Congress, and the Director of the Office of Personnel Management a report on the effectiveness and costs of carrying out the amendments made by this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective on the date of enactment of this Act.

SEC. 346. CONTINUED HEALTH BENEFITS.

(a) IN GENERAL.—Section 8905a(d) of title 5, United States Code, is amended—

(1) in paragraph (1)(A) by striking "An individual" and inserting "Except as provided in paragraph (4), an individual";

(2) in paragraph (2) by striking "in accordance with paragraph (1))" and inserting "in accordance with paragraph (1) or (4), as the case may be)"; and

(3) by adding at the end the following:

"(4)(A) If the basis for continued coverage under this section is an involuntary separation from a position in or under the Department of Defense due to a reduction in force—

"(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

"(ii) the agency which last employed the individual shall pay the remaining portion of the amount required under paragraph (1)(A).

"(B) This paragraph shall apply with respect to any individual whose continued coverage is based on a separation occurring on or after the date of enactment of this paragraph and before—

"(i) October 1, 1997; or

"(ii) February 1, 1998, if specific notice of such separation was given to such individual before October 1, 1997.".

(b) SOURCE OF PAYMENTS.—Any amount which becomes payable by an agency as a result of the enactment of subsection (a) shall be paid out of funds or appropriations available for salaries and expenses of such agency.

SEC. 347. THRIFT SAVINGS PLAN BENEFITS OF EMPLOYEES SEPARATED BY A REDUCTION IN FORCE.

(a) BENEFITS.—Section 8433(b) of title 5, United States Code, is amended by inserting "any employee who separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "chapter 81 of this title,".

(b) PROTECTIONS FOR SPOUSES.—Section 8435(c)(2)(A) of title 5, United States Code, is amended by inserting ", or who separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "8451 of this title".

(c) APPLICATION TO CIVIL SERVICE RETIREMENT SYSTEM EMPLOYEES.—Section 8351(b)(4) of title 5, United States Code, is amended by inserting ", separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "section 8337 of this title)".

SEC. 348. SKILL TRAINING PROGRAMS IN THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—(1) Under regulations prescribed by the Secretary of Defense, the Secretaries of the military departments, and the Secretary of Defense with respect to employees of Department of Defense other than employees of the military departments, may provide not more than one year of training in training facilities of the Department to civilian employees of the Department of Defense who are separated from employment as a result of a reduction in force or a closure or realignment of a military installation.

(2) Training may be provided under this subsection during the period beginning on October 1, 1992, and ending on September 30, 1995.

(b) REGISTER OF TRAINING PROGRAMS.—Not later than February 1, 1993, the Secretary of Defense, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, shall publish a register of the skill training programs carried out by the Department of Defense. The register shall—

(1) include a list of the skill training programs;

(2) provide information on the location of such programs, the training provided under such programs, and the number of persons who may receive training under such programs; and

(3) identify the programs that provide training in skills that are useful to employees in the civilian work force.

SEC. 349. REPORT RELATING TO CONTINUING HEALTH BENEFITS COVERAGE OF CERTAIN TERMINATED EMPLOYEES OF DEFENSE CONTRACTORS.

(a) REPORT REQUIRED.—Not later than March 1, 1993, the Under Secretary of Defense for Acquisition shall submit to Congress a report on matters relating to the provision by contractors of the Department of Defense of continuing health benefits coverage to employees of such contractors who are involuntarily separated from such employment by reason of the termination or curtailment of defense contracts.

(b) CONTENT OF REPORT.—The report shall contain—

(1) an estimate of the number of employees referred to in subsection (a) who will be involuntarily separated from employment referred to in that subsection for the reason referred to in that subsection during each of fiscal years 1993 and 1994;

(2) an estimate of the number of such employees who will elect in each such fiscal year to receive continuation coverage under section 4980B of the Internal Revenue Code of 1986, and an estimate of the aggregate monthly costs that will be incurred during such fiscal years by such employees who make the elections;

(3) an estimate of the cost to the Department of Defense of providing continuing health benefits coverage to such employees in the same manner as continuing health benefits are provided to individuals under paragraph (4) of section 8905a(d) of title 5, United States Code, as added by section 346(a);

(4) an assessment of the capability of the employers of such employees to bear a portion or all of the costs estimated under paragraph (3) and a description of any current efforts by such employers to bear such costs; and

(5) recommendations relating to the optimal allocation of such costs between the Federal Government and such employers.

Subtitle E—Other Matters

SEC. 351. LIMITATIONS ON THE USE OF DEFENSE BUSINESS OPERATIONS FUND.

(a) EXTENSION OF LIMITATION ON PERIOD OF MANAGEMENT.—Section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1338; 10 U.S.C. 2208 note) is amended by striking out "the date of the enactment of this Act and ending on April 15, 1993" and insert-

ing in lieu thereof "December 5, 1991, and ending on April 15, 1994".

(b) TECHNICAL AMENDMENTS.—(1) Section 316(a) of such Act is further amended by inserting "(in this section referred to as the 'Fund')" before the period at the end of the first sentence.

(2) Paragraphs (1) and (2) of section 316(b) of such Act are amended by striking out "the date of the enactment of this Act" and inserting in lieu thereof "December 5, 1991".

SEC. 352. LIMITATION ON OBLIGATIONS AGAINST DEFENSE BUSINESS OPERATIONS FUND.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the supply management divisions of the Defense Business Operations Fund of the Department of Defense during fiscal year 1993 in a total amount in excess of 65 percent of the total amount derived from sales from such divisions during that fiscal year.

(2) For purposes of determining the amount of obligations incurred against, and sales from, such divisions during fiscal year 1993, the Secretary shall exclude obligations and sales for fuel, commissary and subsistence items, retail operations, repair of equipment, and the cost of operations.

(b) EXCEPTION.—The Secretary of Defense may waive the limitation described in subsection (a) if the Secretary determines that such waiver is critical to the national security of the United States. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

SEC. 353. ANNUAL REPORT ON SECURITY AND CONTROL OF SUPPLIES.

(a) ANNUAL REPORT.—Subsection (a) of section 2891 of title 10, United States Code, is amended by striking out "for each of fiscal years 1989, 1990, and 1991" and inserting in lieu thereof "for each of fiscal years 1992, 1993, and 1994".

(b) CONTENT OF REPORT.—Subsection (b) of such section is amended by adding at the end the following new paragraphs:

"(9) A summary description of the cases determined by the Secretary of Defense to be cases of major thefts of Department of Defense supplies during the fiscal year preceding the fiscal year in which the report is submitted, including any case involving a loss in an amount greater than $1,000,000 or a loss of sensitive or classified items.

"(10) The value, and an analysis, of in-transit losses that occurred during the fiscal year preceding the fiscal year in which the report is submitted.".

SEC. 354. REPEAL OF REQUIREMENT FOR GUIDELINES FOR FUTURE REDUCTIONS OF CIVILIAN EMPLOYEES OF INDUSTRIAL-TYPE OR COMMERCIAL-TYPE ACTIVITIES.

(a) REPEAL.—Section 1597 of title 10, United States Code, is repealed.

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 1597.

SEC. 355. PROMOTION OF CIVILIAN MARKSMANSHIP.

(a) AUTHORITY OF THE SECRETARY OF THE ARMY.—(1) Section 4308 of title 10, United States Code, is amended to read as follows:

"§ 4308. Promotion of civilian marksmanship: authority of the Secretary of the Army

"(a) PROGRAM REQUIRED.—(1) The Secretary of the Army, under regulations approved by him upon the recommendation of the National Board for the Promotion of Rifle Practice, shall provide for—

"(A) the operation and maintenance of indoor and outdoor rifle ranges and their accessories and appliances;

"(B) the instruction of citizens of the United States in marksmanship, and the employment of necessary instructors for that purpose;

"(C) the promotion of practice in the use of rifled arms, the maintenance and management of matches or competitions in the use of those arms, and the issue (without cost to the United States) of the arms, ammunition, targets, and other supplies and appliances necessary for those purposes to gun clubs under the direction of the National Board for the Promotion of Rifle Practice that provide training in the use of rifled arms to youth, the Boy Scouts of America, 4-H Clubs, Future Farmers of America, and other youth-oriented organizations for training and competition;

"(D) the award to competitors of trophies, prizes, badges, and other insignia;

"(E) the loan or sale at fair market value of caliber .30 rifles, caliber .22 rifles, and air rifles, and the sale of ammunition at fair market value, to gun clubs that—

"(i) are under the direction of the National Board for the Promotion of Rifle Practice; and

"(ii) provide training in the use of rifled arms;

"(F) the sale at fair market value of arms (including surplus M-1 Garand rifles), ammunition, targets, and other supplies and appliances necessary for target practice to citizens of the United States over 18 years of age who are members of a gun club under the direction of the National Board for the Promotion of Rifle Practice;

"(G) the maintenance of the National Board for the Promotion of Rifle Practice, including provision for its necessary expenses and those of its members and for the Board's expenses incidental to the conduct of the Board's annual meetings;

"(H) the procurement of necessary supplies, appliances, trophies, prizes, badges, and other insignia, clerical and other services, and labor; and

"(I) the transportation of employees, instructors, and civilians to give or to receive instruction or to assist or engage in practice in the use of rifled arms, and the transportation and subsistence, or an allowance instead of subsistence, of members of teams authorized by the Secretary to participate in matches or competitions in the use of rifled arms.

"(2) Under the authority of paragraph (1)(C), the Secretary of the Army may issue for use in training and marksmanship competitions caliber .22 ammunition and caliber .30 ammunition to gun clubs that—

"(A) are under the direction of the National Board for the Promotion of Rifle Practice; and

"(B) provide training in the use of rifled arms to youth or to such youth-oriented organizations as the Boy Scouts of America, 4-H clubs, and Future Farmers of America.

"(b) ADDITIONAL AUTHORITY.—The Secretary may—

"(1) provide personnel services (in addition to pay and nontravel-related allowances for members of the armed forces) in carrying out the Civilian Marksmanship Program; and

"(2) impose reasonable fees for persons and gun clubs participating in any program conducted by the Secretary for the promotion of marksmanship among civilians.

"(c) AMOUNTS COLLECTED.—Amounts collected by the Secretary under the Civilian Marksmanship Program, including the proceeds from the sale of arms, ammunition, targets, and other supplies and appliances under subsection (a), shall be credited to the appropriation available for the support of the Civilian Marksmanship Program and shall be available to carry out such program.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each fiscal year such sums as may be necessary to pay the personnel costs and other expenses of the Civilian Marksmanship Program in such fiscal year to the extent that the amounts available out of the revenues collected under the program are insufficient to defray such costs and expenses.

"(e) DEFINITION.—In this section, the term 'Civilian Marksmanship Program' means the program carried out by the Secretary of the Army under this section and sections 4310 through 4312 of this title and includes the National Matches and small-arms firing schools referred to in section 4312 of this title.".

(2) The table of sections at the beginning of chapter 401 of such title is amended by striking out the item relating to section 4308 and inserting in lieu thereof the following:

"4308. Promotion of civilian marksmanship: authority of the Secretary of the Army.".

(b) AVAILABILITY OF RIFLE RANGES FOR ARMED FORCES AND CIVILIANS.—(1) Section 4309 of title 10, United States Code, is amended to read as follows:

"§ 4309. Rifle ranges: availability for use by members and civilians

"(a) RANGES AVAILABLE.—All rifle ranges constructed in whole or in part with funds provided by the United States may be used by members of the armed forces and by persons capable of bearing arms.

"(b) MILITARY RANGES.—(1) In the case of a rifle range referred to in subsection (a) that is located on a military installation, the Secretary concerned may establish reasonable fees for the use by civilians of that rifle range to cover the material and supply costs incurred by the armed forces to make that rifle range available to civilians.

"(2) Fees collected pursuant to paragraph (1) in connection with the use of a rifle range shall be credited to the appropriation available for the operation and maintenance of that rifle range and shall be available for the operation and maintenance of that rifle range.

"(3) Use of a rifle range referred to in paragraph (1) by civilians may not interfere with the use of the range by members of the armed forces.

"(c) REGULATIONS.—Regulations to carry out this section with respect to a rifle range shall be prescribed, subject to the approval of the Secretary concerned, by the authorities controlling the rifle range.".

(2) The table of sections at the beginning of chapter 401 of such title is amended by striking out the item relating to section 4309 and inserting in lieu thereof the following:

"4309. Rifle ranges: availability for use by members and civilians.".

(c) PAYMENT OF EXPENSES FOR NATIONAL MATCH COMPETITORS.—(1) Section 4313 of title 10, United States Code, is amended to read as follows:

"§ 4313. National matches and small-arms school: expenses

"(a) JUNIOR COMPETITORS.—(1) Junior competitors at National Matches, small-arms firing schools, and competitions in connection with National Matches and special clinics under section 4312 of this title may be paid a subsistence allowance in such amount as the Secretary of the Army shall prescribe.

"(2) A junior competitor referred to in paragraph (1) may be paid a travel allow-

ance, in such amount as the Secretary of the Army shall prescribe, instead of travel expenses and subsistence while traveling. The travel allowance for the return trip may be paid in advance.

"(3) For the purposes of this subsection, a junior competitor is a competitor who is under 18 years of age or is a member of a gun club organized for the students of a college or university.

"(b) RESERVE COMPONENT PERSONNEL.—Appropriated funds available for the Civilian Marksmanship Program (as defined in section 4308 of this title) may be used to pay the personnel costs and travel and per diem expenses of a member of a reserve component for any active duty performed by the member in a fiscal year in support of the program after the end of that member's scheduled period of annual training for that fiscal year.".

(2) The item relating to section 4313 in the table of sections at the beginning of chapter 401 of such title is amended by striking out "rifle".

(d) EFFECTIVE DATE.—(1) This section and the amendments made by this section shall take effect on the earlier of—

(A) the date of the enactment of this Act; or

(B) October 1, 1992.

(2) If under paragraph (1) the amendments made by this section take effect before October 1, 1992, the amendments made by section 328 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1533) shall not take effect.

(3) If under paragraph (1) the amendments made by this section take effect on October 1, 1992, the amendments made by this section shall be considered executed immediately following the amendments made by section 328 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1533).

SEC. 356. PURCHASE OF ITEMS NOT EXCEEDING $100,000.

Funds appropriated pursuant to the authorization of appropriations in section 301 may be used to purchase items not exceeding $100,000 for each item.

SEC. 357. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1684) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

SEC. 358. REPEAL OF REQUIREMENT FOR COMPETITION PILOT PROGRAM FOR DEPOT-LEVEL MAINTENANCE OF MATERIALS.

Subsection (b) of section 314 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1337; 10 U.S.C. 2466 note) is repealed.

SEC. 359. OPTIONAL DEFENSE DEPENDENTS' SUMMER SCHOOL PROGRAMS.

Section 1402 of the Defense Dependents' Education Act of 1978 (title XIV of Public Law 95-561; 20 U.S.C. 921) is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of Defense may provide optional summer school programs in the defense dependents' education system.

"(2) The Secretary shall provide in regulations for fees to be charged for the students enrolling in a summer school program under this subsection in amounts determined on the basis of family income.

"(3) The amounts received by the Secretary in payment of the fees shall be available to the Department of Defense for defraying the costs of conducting summer school programs under this subsection.".

SEC. 360. REVIEW OF MILITARY FLIGHT TRAINING ACTIVITIES AT CIVILIAN AIRFIELDS.

(a) REVIEW REQUIRED.—The Secretary of Defense shall provide for a review of the practices and procedures of the military departments regarding the use of civilian airfields in flight training activities of the Armed Forces.

(b) PURPOSE.—The purpose of the review is to determine whether the practices and procedures referred to in subsection (a) should be modified to better protect the public safety while meeting training requirements of the Armed Forces.

(c) SPECIAL REQUIREMENT.—In the conduct of the review, particular consideration shall be given to the practices and procedures regarding the use of civilian airfields in heavily populated areas.

SEC. 361. SALE TO KOREA OF OBSOLETE AMMUNITION FROM WAR RESERVE STOCKS.

Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the Secretary of Defense is authorized to sell to the Republic of Korea, at a price negotiated by the Secretary, all or any part of obsolete ammunition in the inventory of the Department of Defense which is intended for use as reserve stocks for Korea and is located in a stockpile in the Republic of Korea on the date of the enactment of this Act. Obsolete ammunition sold under the authority of this section shall be sold for not less than its salvage value, minus the costs of salvage.

SEC. 362. COOPERATIVE AGREEMENTS WITH ALLIES.

(a) ACQUISITION OF LOGISTICS SUPPORT, SUPPLIES, AND SERVICES FROM ALLIES.—Section 2341 of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "in Europe and adjacent waters" and inserting in lieu thereof "outside the United States"; and

(2) in paragraph (2)—

(A) by striking out "in which elements of the armed forces are deployed (or are to be deployed)"; and

(B) by striking out "in such country or in the military region in which such country is located" and inserting in lieu thereof "outside the United States".

(b) LIMITATIONS ON AMOUNTS THAT MAY BE OBLIGATED OR ACCRUED BY THE UNITED STATES.—Section 2347 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "North Atlantic Treaty Organization" and inserting in lieu thereof "armed forces"; and

(B) by inserting "with other member countries of the North Atlantic Treaty Organization and subsidiary bodies of the North Atlantic Treaty Organization" after "(before the computation of offsetting balances)";

(2) in subsection (a)(2)—

(A) by striking out "in the military region affecting" and inserting in lieu thereof "involving the armed forces, the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with"; and

(B) by striking out "the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with such country";

(3) in subsection (b)(1)—

(A) by striking out "North Atlantic Treaty Organization" and inserting in lieu thereof "armed forces"; and

(B) by inserting "with other member countries of the North Atlantic Treaty Organization and subsidiary bodies of the North Atlantic Treaty Organization" after "(before the computation of offsetting balances)"; and

(4) in subsection (b)(2)—

(A) by striking out "in the military region affecting a country referred to in paragraph (1)" and inserting in lieu thereof "involving the armed forces"; and

(B) by striking out "from such country (before the computation of offsetting balances)" and inserting in lieu thereof "(before the computation of offsetting balances) with a country which is not a member of the North Atlantic Treaty Organization, but with which the United States has one or more acquisition or cross-servicing agreements".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act and shall apply to acquisitions of logistics support, supplies, and services under chapter 138 of title 10, United States Code, that are initiated on or after the date of enactment of this Act.

SEC. 363. PREFERENCE FOR PROCUREMENT OF ENERGY EFFICIENT ELECTRIC EQUIPMENT.

(a) REQUIREMENT FOR PREFERENCE.—(1)(A) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410c. Preference for energy efficient electric equipment

"(a) When cost effective, in establishing a new requirement for electric equipment referred to in subsection (b) and in procuring electric equipment referred to in that subsection, the Secretary of a military department or the head of a Defense Agency, as the case may be, shall provide a preference for the procurement of the most energy efficient electric equipment available that meets the requirement or the need for the procurement, as the case may be.

"(b) Subsection (a) applies to the following electric equipment:

"(1) Electric lamps.

"(2) Electric ballasts.

"(3) Electric motors.

"(4) Electric refrigeration equipment.".

(B) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2410b the following new item:

"2410c. Preference for energy efficient electric equipment.".

(2) The amendments made by paragraph (1) shall apply to procurements for which solicitations are issued on or after the date that is 120 days after the date of the enactment of this Act.

(b) ELECTRIC LIGHTING DEMONSTRATION PROGRAM.—(1) The Secretary of Defense shall conduct a demonstration program for using energy efficient electric lighting equipment.

(2) The Secretary shall designate 50 facilities owned or leased by the Department of Defense for participation in the demonstration program under this subsection.

(3) The head of each facility designated pursuant to paragraph (2) and the Director of the Defense Logistics Agency shall jointly audit the electric lighting equipment at the facility in order—

(A) to identify any potential improvements that would increase the energy efficiency of electric lighting at that facility; and

(B) to determine the costs of, and the savings that would result from, such improvements.

(4) Except as provided in subsection (d)(4), on the basis of the results of the audit the head of the facility shall promptly convert to the use of electric lighting equipment at the facility that is more energy efficient than the existing electric lighting equipment to the extent that the conversion is cost effective.

(5) Energy efficient electric lighting equipment used under the demonstration program may include compact fluorescent lamps, energy efficient electric ballasts and fixtures, and other energy efficient electric lighting equipment.

(c) REFRIGERATION EQUIPMENT DEMONSTRATION PROGRAM.—(1) The Secretary of Defense shall conduct a demonstration program for using energy efficient refrigeration equipment.

(2) The Secretary shall designate 50 facilities owned or operated by the Department of Defense for participation in the demonstration program under this subsection.

(3) The head of each facility designated pursuant to paragraph (2) and the Director of the Defense Logistics Agency shall jointly audit the refrigeration equipment at the facility in order—

(A) to identify any potential improvements that would increase the energy efficiency of the refrigeration equipment at that facility; and

(B) to determine the costs of, and the savings that would result from, such improvements.

(4) Except as provided in subsection (d)(4), on the basis of the results of the audit the head of the facility shall promptly convert to the use of refrigeration equipment at the facility that is more energy efficient than the existing refrigeration equipment to the extent that the conversion is cost effective.

(d) GENERAL PROVISIONS FOR DEMONSTRATION PROGRAMS.—(1) The Secretary of Defense shall make the designations under subsections (b)(2) and (c)(2) not later than 180 days after the date of the enactment of this Act.

(2) The Secretary of Defense may designate a facility described in subsections (b)(2) and (c)(2) for participation in the demonstration program under subsection (b) and the demonstration program under subsection (c).

(3) The audits required by subsections (b)(3) and (c)(3) shall be completed not later than January 1, 1994.

(4) The head of a facility may not carry out a conversion described in subsection (b)(4) or (c)(4) if the conversion prevents the head of the facility from carrying out other improvements relating to energy efficiency that are more cost effective than that conversion.

SEC. 364. MADIGAN ARMY MEDICAL CENTER.

Of the funds authorized to be appropriated by title III for Operation and Maintenance, Army, $150,000 is authorized to be used for a program design and feasibility study to provide a residential program for military dependents with severe behavior disorders at Madigan Army Medical Center.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 598,900, of whom not more than 88,855 shall be commissioned officers.

(2) The Navy, 535,800, of whom not more than 67,455 shall be commissioned officers.

(3) The Marine Corps, 181,900, of whom not more than 18,440 shall be commissioned officers.

(4) The Air Force, 449,900, of whom not more than 84,970 shall be commissioned officers.

SEC. 402. WAIVER AND TRANSFER AUTHORITY.

(a) WAIVER AUTHORITY.—The Secretary of Defense may waive an end strength prescribed in section 401 for any of the Armed Forces to the extent that the Secretary considers the waiver necessary to prevent personnel imbalances that would impair the long term combat readiness of that armed force.

(b) TRANSFER AUTHORITY.—(1) Upon determination by the Secretary of Defense that such action is necessary in order to prevent involuntary separations from the Armed Forces that would otherwise be necessary solely for the purpose of reducing the size of the Armed Forces below the authorized end strengths provided in section 401, the Secretary may transfer amounts appropriated to the Department of Defense pursuant to authorizations of appropriations in this division for fiscal year 1993. Amounts so transferred shall be merged with and be available for the same purposes as the appropriations to which transferred.

(2) A transfer made from one appropriation account to another under the authority of this section shall be deemed to increase the amount authorized for the appropriation account to which transferred by the amount transferred.

(3) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

SEC. 403. AUTHORITY TO ADJUST END STRENGTHS.

Subsection (c) of section 115 of title 10, United States Code, is amended to read as follows:

"(c)(1) Subject to paragraphs (1) and (2), the strength of an armed force at the end of a fiscal year may vary from the end strength authorized for that armed force pursuant to paragraph (1) or (2) of subsection (a) for such fiscal year to the extent that the Secretary of Defense determines that the variance is in the national interest.

"(2) The strength of the active-duty personnel of an armed force at the end of a fiscal year shall be within 0.5 percent below and 0.5 percent above the end strength authorized for that armed force pursuant to subsection (a)(1) for that fiscal year.

"(3) The strength of the Selected Reserve personnel of a reserve component at the end of a fiscal year shall be within 2 percent below or 2 percent above the end strength authorized for the Selected Reserve of that reserve component pursuant to subsection (a)(2) for that fiscal year.".

SEC. 404. REPEAL OF REQUIREMENTS FOR MINIMUM NUMBERS OF MEDICAL PERSONNEL.

The following provisions of law that limit reductions in the number of medical personnel of the Department of Defense are repealed:

(1) Section 711 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 115 note).

(2) Section 718(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 115 note).

SEC. 405. LIMITED EXCLUSION OF JOINT SERVICE REQUIREMENTS FROM A LIMITATION ON THE STRENGTHS FOR GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.

(a) EXCLUSION.—Section 526 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) LIMITED EXCLUSION FOR JOINT DUTY REQUIREMENTS.—(1) The Chairman of the Joint Chiefs of Staff may designate up to 8 general officer and flag officer positions within joint duty requirements for exclusion from the limitations in subsection (a) that are applicable on and after October 1, 1995. General officers and flag officers in positions so designated may not be counted for the purposes of such limitations.

"(2) This subsection shall cease to be effective on October 1, 1998."

(b) TECHNICAL AMENDMENT.—Subsection (b) of such section is amended by striking out "(b)" and inserting in lieu thereof "(b) AUTHORIZED INCREASE.—".

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, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(b) ADJUSTMENTS.—Section 115 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) The end strengths prescribed by law for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

"(A) 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 that fiscal year; and

"(B) 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 that fiscal year.

"(2) Whenever such units or such individual members are released from active duty, the end strength prescribed for the Selected Reserve of such reserve component for the fiscal year in which released shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.".

(c) TEMPORARY PROHIBITION ON ELIMINATING RESERVE COMPONENT UNITS.—(1) Except as provided in paragraph (2), no unit in the Selected Reserve of the Army, Navy, Air Force, or Marine Corps may be inactivated during fiscal year 1993.

(2) Paragraph (1) does not apply to the following:

(A) An inactivation of a unit which is the direct result of the closure or realignment of a military installation required pursuant to law.

(B) An inactivation of a reinforcing unit in the Naval Reserve that is associated directly with a decommissioned unit in the active component of the Navy.

(C) An inactivation of an aviation unit as a direct result of the phasing out of a weapon system from the active components and the reserve components by the end of fiscal year 1993.

(3) A unit of the Selected Reserve of the Army, Navy, Air Force, or Marine Corps may not be inactivated pursuant to an exception in paragraph (2) until the Secretary of Defense has submitted to the Committees on Armed Services of the Senate and House of

Representatives the rationale for the proposed inactivation of that unit and the specific exception that applies.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,860.

(2) The Army Reserve, 12,862.

(3) The Naval Reserve, 22,055.

(4) The Marine Corps Reserve, 2,282.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 636.

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) ACTIVE FORCES.—For fiscal year 1993, the Armed Forces are authorized average military training loads for active forces as follows:

(1) The Army, 60,269.

(2) The Navy, 51,405.

(3) The Marine Corps, 19,016.

(4) The Air Force, 27,971.

(b) RESERVE COMPONENTS.—For fiscal year 1993, the Armed Forces are authorized average military training loads for reserve component forces as follows:

(1) The Army Reserve, 12,583.

(2) The Army National Guard, 10,529.

(3) The Naval Reserve, 1,892.

(4) The Marine Corps Reserve, 3,418.

(5) The Air Force Reserve, 1,529.

(6) The Air National Guard, 3,048.

(c) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in subtitles A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

Subtitle D—Funding Authorization

SEC. 431. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces for military personnel in the total amount of $77,316,200,000.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Reserve Component Matters

SEC. 501. REALIGNMENT OF CERTAIN ACTIVE ARMY COMBAT SUPPORT AND COMBAT SERVICE SUPPORT POSITIONS TO RESERVE COMPONENTS.

(a) FINDING.—The Congress finds that the force structure of the active component of the Army contains approximately 19,000 positions for personnel having missions to provide combat support and combat service support to inactivated Army units formerly stationed in Europe.

(b) REALIGNMENT REQUIRED.—The Secretary of Defense shall ensure that, not later than September 30, 1993, the missions referred to in subsection (a) are transferred to the Reserve components of the Army.

SEC. 502. LIMITATION ON REDUCTION IN NUMBER OF RESERVE COMPONENT MEDICAL PERSONNEL.

(a) LIMITATION.—The Secretary of Defense may not reduce the number of medical personnel in the Army National Guard of the United States or the Army Reserve below the number of such personnel in those reserve components on September 30, 1992.

(b) DEFINITION.—In subsection (a), the term "medical personnel" has the meaning given that term in section 115a(g)(2) of title 10, United States Code.

SEC. 503. ONE-YEAR EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT PROGRAMS.

(a) GRADE DETERMINATION AUTHORITY FOR CERTAIN RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(b) PROMOTION AUTHORITY FOR CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of such title are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (10 U.S.C. 3360 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 30, 1992.

SEC. 504. REENLISTMENT ELIGIBILITY OF CERTAIN FORMER RESERVE OFFICERS.

(a) LIMITATION FOR THE ARMY.—Section 3258 of title 10, United States Code, is amended—

(1) by striking out the last sentence;

(2) by inserting "(a)" before "Any"; and

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

"(b) A person is not entitled to be reenlisted under subsection (a) if—

"(1) the person was discharged or released from active duty as a Reserve officer on the basis of a determination of—

"(A) misconduct;

"(B) moral or professional dereliction;

"(C) duty performance below prescribed standards for the grade held; or

"(D) retention being inconsistent with the interests of national security; or

"(2) the person's former enlisted status and grade was based solely on the participation by that person in a precommissioning program that resulted in the Reserve commission held by that person during the active duty from which the person was released or discharged.".

(b) LIMITATION FOR THE AIR FORCE.—Section 8258 of such title is amended—

(1) by striking out the last sentence;

(2) by inserting "(a)" before "Any"; and

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

"(b) A person is not entitled to be reenlisted under subsection (a) if—

"(1) the person was discharged or released from active duty as a Reserve officer on the basis of a determination of—

"(A) misconduct;

"(B) moral or professional dereliction;

"(C) duty performance below prescribed standards for the grade held; or

"(D) retention being inconsistent with the interests of national security; or

"(2) the person's former enlisted status and grade was based solely on the participation by that person in a precommissioning program that resulted in the Reserve commission held by that person during the active duty from which the person was released or discharged.".

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply to persons discharged or released from active duty as a commissioned officers in the Army Reserve or the Air Force Reserve, respectively, after the date of the enactment of this Act.

SEC. 505. STUDY OF EFFECTS OF OPERATIONS DESERT SHIELD AND DESERT STORM MOBILIZATIONS OF RESERVES AND MEMBERS OF THE NATIONAL GUARD WHO WERE SELF-EMPLOYED OR OWNERS OF SMALL BUSINESSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) The service of the members of the Armed Forces of the United States in Operations Desert Shield and Desert Storm was commendable.

(2) The Reserves and the members of the National Guard contributed to the readiness, preparedness, and combat capability of the coalition forces that participated in the liberation of Kuwait.

(3) The Reserves and the members of the National Guard ordered to active duty in connection with Operations Desert Shield and Desert Storm who were self-employed or were owners of small businesses possibly suffered unique financial difficulties resulting from their absence from their businesses for such active duty service.

(b) STUDY AND REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) conduct a study regarding the economic and other effects on the Reserves and members of the National Guard referred to in subsection (a)(3) of being absent from their businesses for active duty service in connection with Operations Desert Shield and Desert Storm; and

(2) submit a report on the results of the study to the Committees on Armed Services of the Senate and the House of Representatives.

(c) CONTENT OF REPORT.—The report shall include the following matters:

(1) The number of Reserves and members of the National Guard ordered to active duty in connection with Operations Desert Shield and Desert Storm who were self-employed or were owners of small businesses.

(2) A description of the businesses owned by those Reserves and members of the National Guard when such personnel were ordered to active duty.

(3) A detailed analysis of the economic effects on the businesses of such personnel resulting from the absence of such personnel for active duty service.

(4) A discussion of the factors that contributed to any financial hardship or gain for such businesses during the period of the absence of such personnel.

(5) The extent to which such personnel voluntarily separated from the Armed Forces, assumed an inactive status, or retired after being released from active duty.

(6) An analysis of the rates of such separations, change of status, and retirements.

Subtitle B—Service Academies

SEC. 511. LIMITATION ON ASSIGNMENT OF GENERAL OFFICERS.

(a) UNITED STATES MILITARY ACADEMY.—(1)(A) Chapter 403 of title 10, United States Code, is amended by inserting after section 4337 the following new section 4338:

"§ 4338. Limitations on faculty, staff, and support personnel

"(a) GENERAL OFFICERS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of more than one general officer to permanent duty at the

Academy at any time or to support the assignment of any general officer in a grade above major general to permanent duty at the Academy.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4337 the following new item:

"4338. Limitations on faculty, staff, and support personnel.".

(2) Subsection (c) of section 4335 of such title is repealed.

(b) UNITED STATES AIR FORCE ACADEMY.—(1)(A) Chapter 903 of such title is amended by inserting after section 9337 the following new section 9338:

"§ 9338. Limitations on faculty, staff, and support personnel

"(a) GENERAL OFFICERS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of more than one general officer to permanent duty at the Academy at any time or to support the assignment of any general officer in a grade above major general to permanent duty at the Academy.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 9337 the following new item:

"9338. Limitations on faculty, staff, and support personnel.".

(2) Section 9334 of such title is amended—

(A) by striking out subsection (b); and

(B) in subsection (a), by striking out "(a)".

(c) EFFECTIVE DATE AND TRANSITION PROVISION.—(1) The amendments made by subsections (a) and (b) shall take effect on April 1, 1993.

(2) General officers who, on the date of the enactment of this Act, are assigned to permanent duty positions at the United States Military Academy and the United States Air Force Academy in excess of the number of such officers permitted by the amendments made by subsections (a) and (b) shall be reassigned before the effective date of such amendments.

(3) The Chairman of the Joint Chiefs of Staff may direct that one or more of the general officer positions referred to in paragraph (2) be allocated to meet unsatisfied requirements for general officer joint duty positions.

SEC. 512. ACADEMY PREPARATORY SCHOOLS.

Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a plan for implementing the recommendations contained in the report of the Comptroller General of the United States, dated March 13, 1992, regarding the preparatory schools of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

SEC. 513. COMPOSITION OF ACADEMY FACULTIES.

Not later than April 1, 1993, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and House of Representatives recommended legislation for—

(1) establishing at the United States Military Academy and the United States Air Force Academy a faculty composed of approximately equal numbers of civilian and Armed Forces personnel; and

(2) phasing out the assignment of Armed Forces personnel as permanent professors at those academies.

SEC. 514. ACADEMY BANDS.

(a) UNITED STATES MILITARY ACADEMY.—Section 4338 of title 10, United States Code (as added by section 511(a)), is amended by adding at the end the following:

"(b) ENLISTED BANDS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for permanent duty in a military band for the Academy.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Section 6969 of such title is amended to read as follows:

"§ 6969. Naval Academy Band

"(a) Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for permanent duty in the Naval Academy Band.

"(b) In determining years of service for the purpose of retirement, enlisted members of the Navy who have previously been assigned as leaders or second leaders of the Naval Academy Band shall be treated as if they had not been so assigned.".

(2) The item relating to such section in the table of sections at the beginning of chapter 603 of such title is amended to read as follows:

"6969. Naval Academy Band.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9338 of such title (as added by section 511(b)) is amended by adding at the end the following:

"(b) ENLISTED BANDS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for duty in a military band for the Academy.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 515. NONINSTRUCTIONAL STAFF.

(a) UNITED STATES MILITARY ACADEMY.—Section 4338 of title 10, United States Code (as added by section 511(a) and as amended by section 514(a)), is further amended by adding at the end the following:

"(c) NONINSTRUCTIONAL STAFF.—Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or cadets or in the maintenance of Academy facilities or equipment.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of such title is amended by adding at the end the following new section:

"§ 6975. Limitations on faculty, staff, and support personnel

"Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or midshipmen or in the maintenance of Academy facilities or equipment.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6974 the following new item:

"6975. Limitations on faculty, staff, and support personnel.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9338 of such title (as added by section 511(b) and as amended by section 514(c)), is further amended by adding at the end the following:

"(c) NONINSTRUCTIONAL STAFF.—Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or cadets or in the maintenance of Academy facilities or equipment.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 516. MAJOR TRAINING COMMAND JURISDICTION.

(a) UNITED STATES MILITARY ACADEMY.—Section 4331(a) of title 10, United States Code, is amended by adding at the end the following: "The Academy is under the supervision and control of the commander of the major Army command having jurisdiction over Army officer training programs.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Section 6951 of such title is amended by adding at the end the following: "The Academy is under the supervision and control of the major Navy command having jurisdiction over Navy officer training programs.".

(2)(A) The heading of such section is amended to read as follows:

"§ 6951. Location and administration".

(B) The item relating to that section in the table of sections at the beginning of chapter 603 of title 10, United States Code, is amended to read as follows:

"6951. Location and administration.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9331(a) of such title is amended by adding at the end the following: "The Academy is under the supervision and control of the commander of the major Air Force command having jurisdiction over Air Force officer training programs.".

Subtitle C—Officer Personnel Policy

SEC. 521. OFFICER PERSONNEL MANAGEMENT PLANS.

(a) REPORT ON PLANNED OFFICER ACCESSIONS.—(1) Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plans of the military departments for the procurement of officer personnel during each of fiscal years 1993 through 1997.

(2) The report shall contain for each fiscal year for each military department the following:

(A) For each program of officer training resulting in a commission, the number of persons to be commissioned.

(B) Of the persons to be commissioned under the Reserve Officer Training Corps program, the number of persons receiving scholarships under that program and the number of persons not receiving scholarships under the program.

(C) Of the number of persons to be commissioned—

(i) the number necessary to meet immediate needs for active component personnel;

(ii) the number necessary to meet immediate needs for personnel for the Selected Reserve of the Ready Reserve of the reserve components; and

(iii) the number that will be assigned directly into the Individual Ready Reserve of the reserve components.

(b) REPORT ON PLANNED OFFICER ASSIGNMENTS.—Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the types of assignments that the military de-

partments plan for the commissioned officers who commence active duty for their initial period of obligated active duty service during each of fiscal years 1993 through 1997 after being commissioned upon completion of an officer training program, stated by officer training program. The report shall contain an analysis of the number of officers that are to be assigned for skills training and the number of officers that are to be assigned directly to occupational positions.

SEC. 522. EVALUATION OF EFFECTS OF OFFICER STRENGTH REDUCTIONS ON OFFICER PERSONNEL MANAGEMENT SYSTEMS.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall provide for a federally funded research and development center that is independent of the military departments to review the officer personnel management system of each of the military departments and to determine and evaluate the effects of the post-Cold War officer strength reductions on that officer personnel management system.

(b) MATTERS TO BE CONSIDERED.—The review and evaluation shall include, for the officer personnel management system of each military department, the effects of the officer strength reductions on the following:

(1) The timing and opportunities for officer promotions.

(2) The expected lengths of officer careers.

(3) Other features of the officer personnel management system under the Defense Officer Personnel Management Act (Public Law 96-513; 94 Stat. 2835) and the provisions of law added and amended by that Act.

(4) Any other aspects of the officer personnel management system that the federally funded research and development center personnel conducting the review and evaluation consider appropriate or as directed by the Secretary of Defense.

(c) REPORT.—Not later than December 31, 1993, the federally funded research and development center shall submit to the Secretary of Defense a report on the results of the review and evaluation. Within 60 days after receiving the report, the Secretary shall transmit the report to the congressional defense committees. The Secretary may submit to such committees any comments that the Secretary considers appropriate regarding the matters contained in the report.

(d) FUNDING.—Funds appropriated for fiscal year 1993 pursuant to title II and made available for federally funded research and development centers shall be available for the conduct of the review and evaluation under this section.

SEC. 523. TEST ASSIGNMENT OF FEMALE MEMBERS TO COMBAT AIRCRAFT POSITIONS.

Section 550 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (105 Stat. 1370; 10 U.S.C. 113 note) is amended—

(1) by redesignating subsection (b) as subsection (c);

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

"(b) ASSIGNMENTS TO COMBAT AIRCRAFT.—The Secretary of Defense shall require the conduct of test assignments of female members of each armed force to duty in combat aircraft of that armed force."; and

(3) in subsection (c), as redesignated by paragraph (1), by inserting "and pursuant to subsection (b)" after "subsection (a)".

SEC. 524. SELECTIVE EARLY RETIREMENT.

Section 638a(c) of title 10, United States Code, is amended by adding at the end the following:

"(3) In the case of an action under subsection (b)(2), the Secretary of the military department concerned may submit to a selection board convened pursuant to that subsection—

"(A) the names of all eligible officers described in that subsection in a particular grade and competitive category; or

"(B) the names of all eligible officers described in that subsection in a particular grade and competitive category who are also in particular year groups, specialties, or retirement categories, or any combination thereof, within that competitive category.".

SEC. 525. RETIREMENT OF CERTAIN LIMITED DUTY OFFICERS OF THE NAVY.

(a) REGULAR NAVY COMMANDERS.—Section 633 of title 10, United States Code, is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, the preceding sentence shall not apply to an officer of the Navy designated for limited duty to whom section 6383 of this title applies.".

(b) REGULAR NAVY CAPTAINS.—Section 634 of title 10, United States Code, is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, the preceding sentence shall not apply to an officer of the Regular Navy designated for limited duty to whom section 6383(a)(4) of this title applies.".

(c) MAXIMUM TENURE.—Subsection (a) of section 6383 of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

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

"(2) Except as provided in subsection (i), each regular officer of the Navy designated for limited duty who is serving in the grade of commander, has failed of selection for promotion to the grade of captain for the second time, and is not on a list of officers recommended for promotion to the grade of captain shall—

"(A) if eligible for retirement as a commissioned officer under any provision of law, be retired under that provision law on the date requested by the officer and approved by the Secretary of the Navy, except that the date of retirement may not be later than the first day of the seventh month beginning after the month in which the President approves the report of the selection board in which the officer is considered as having failed for promotion to the grade of captain for a second time; or

"(B) if not eligible for retirement as a commissioned officer, be retired on the date requested by the officer and approved by the Secretary of the Navy after the officer becomes eligible for retirement as a commissioned officer, except that the date of retirement may not be later than the first day of the seventh calendar month beginning after the month in which the officer becomes eligible for retirement as a commissioned officer.

"(3) Except as provided in subsection (i), if not retired earlier, a regular officer of the Navy designated for limited duty who is serving in the grade of commander and is not on a list of officers recommended for promotion to the grade of captain shall be retired on the last day of the month following the month in which the officer completes 35 years of active naval service, exclusive of active duty for training in a reserve component.

"(4) Except as provided in subsection (i), each regular officer of the Navy designated for limited duty who is serving in the grade of captain shall, if not retired sooner, be retired on the last day of the month following the month in which the officer completes 38 years of active naval service, exclusive of active duty for training in a reserve component.

"(5) Paragraphs (2) through (4) shall be effective only during the period beginning on July 1, 1993, and ending on October 1, 1995.".

(d) LIMITATION ON DEFERRED RETIREMENT.—Subsection (i) of section 6383 of such title is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, an officer of the Navy in the grade of commander or captain whose retirement is deferred under this subsection and who is not subsequently promoted may not be continued on active duty beyond age 62 or, if earlier, 28 years of active commissioned service if in the grade of commander or 30 years of active commissioned service if in the grade of captain.".

Subtitle D—Active Forces Transition Enhancements

SEC. 531. ENCOURAGEMENT FOR CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PERMANENT PROGRAM.—(1) Chapter 58 of title 10, United States Code, is amended by inserting after section 1143 the following new section:

"§ 1143a. Encouragement of postseparation public and community service: Department of Defense

"(a) IN GENERAL.—The Secretary of Defense shall implement a program to encourage members and former members of the armed forces to enter into public and community service jobs after discharge or release from active duty.

"(b) PERSONNEL REGISTRY.—The Secretary shall maintain a registry of members and former members of the armed forces discharged or released from active duty who request registration for assistance in pursuing public and community service job opportunities. The registry shall include information on the particular job skills, qualifications, and experience of the registered personnel.

"(c) REGISTRY OF PUBLIC SERVICE AND COMMUNITY SERVICE ORGANIZATIONS.—The Secretary shall also maintain a registry of public service and community service organizations. The registry shall contain information regarding each organization, including its location, its size, the types of public and community service positions in the organization, points of contact, procedures for applying for such positions, and a description of each such position that is likely to be available. Any such organization may request registration under this subsection and, subject to guidelines prescribed by the Secretary, be registered.

"(d) ASSISTANCE TO BE PROVIDED.—(1) The Secretary shall actively attempt to match personnel registered under subsection (b) with public and community service job opportunities and to facilitate job-seeking contacts between such personnel and the employers offering the jobs.

"(2) The Secretary shall offer personnel registered under subsection (b) counselling services regarding—

"(A) public service and community service organizations; and

"(B) procedures and techniques for qualifying for and applying for jobs in such organizations.

"(3) The Secretary may provide personnel registered under subsection (b) with access to the interstate job bank program of the United States Employment Service if the Secretary determines that such program meets the needs of separating members of the armed forces for job placement.

"(e) CONSULTATION REQUIREMENT.—In carrying out this section, the Secretary shall consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector.

"(f) DELEGATION.—The Secretary, with the concurrence of the Secretary of Labor, may designate the Secretary of Labor as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in this section. Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of the provisions of this section.

"(g) DEFINITIONS.—In this section, the term 'public service and community service organization' includes the following organizations:

"(1) Any organization that provides the following services:

"(A) Elementary, secondary, or postsecondary school teaching or administration.

"(B) Support of such teaching or school administration.

"(C) Law enforcement.

"(D) Public health care.

"(E) Social services.

"(F) Any other public or community service.

"(2) Any nonprofit organization that coordinates the provision of services described in paragraph (1).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1143 the following new item:

"1143a. Encouragement of postseparation public and community service: Department of Defense.".

(b) DEPARTMENT OF VETERANS AFFAIRS RESPONSIBILITIES.—Section 1142(b)(4) of title 10, United States Code, is amended by inserting before the period at the end the following: ", including the public and community service jobs program carried out under section 1143a of this title".

(c) PRESEPARATION ASSISTANCE BY THE DEPARTMENT OF LABOR.—Section 1144(b) of such title is amended by adding at the end the following new paragraph:

"(8) Provide information regarding the public and community service jobs program carried out under section 1143a of this title.".

SEC. 532. TEACHER CERTIFICATION CREDIT FOR MILITARY EXPERIENCE.

(a) UNIFORM STATE STANDARDS AND PROCEDURES.—(1) The Secretary of Defense shall—

(A) develop proposed uniform standards and procedures for the granting of appropriate credit for service in the Armed Forces under State teacher certification or licensing procedures; and

(B) coordinate with appropriate agencies of each State to encourage the incorporation of such uniform standards and procedures into the State's teacher certification or licensing requirements.

(2) The uniform standards should reflect the value to the teaching profession of relevant skills and experience derived from service in the Armed Forces.

(b) DELEGATION TO THE SECRETARY OF EDUCATION.—The Secretary, with the concurrence of the Secretary of Education, may designate the Secretary of Education as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in subsection (a). Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of such subsection.

SEC. 533. PROGRAM OF EDUCATIONAL LEAVE RELATING TO CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PROGRAM.—Under regulations prescribed by the Secretary of Defense after consultation with the Secretary of Transportation and subject to subsections (b) and (c), the Secretary concerned may grant to an eligible member of the Armed Forces a leave of absence for a period not to exceed one year for the purpose of permitting the member to pursue a program of education or training (including an internship) for the development of skills that are relevant to the performance of public and community service. A program of education or training referred to in the preceding sentence includes any such program that is offered by the Department of Defense or by any civilian educational or training institution.

(b) ELIGIBILITY REQUIREMENT.—(1) A member may not be granted a leave of absence under this section unless the member agrees in writing—

(A) diligently to pursue employment in public service and community service organizations upon the separation of the member from active duty in the Armed Forces; and

(B) to serve in the Ready Reserve of an armed force, upon such separation, for a period of 4 months for each month of the period of the leave of absence.

(2)(A) A member may not be granted a leave of absence under this section until the member has completed any period of extension of enlistment or reenlistment, or any period of obligated active duty service, that the member has incurred under section 708 of title 10, United States Code.

(B) The Secretary concerned may waive the limitation in subparagraph (A) for a member who enters into an agreement with the Secretary for the member to serve in the Ready Reserve of a reserve component for a period equal to the uncompleted portion of the member's period of service referred to in that subparagraph. Any such period of agreed service in the Ready Reserve shall be in addition to any other period that the member is obligated to serve in a reserve component.

(c) TREATMENT OF LEAVE OF ABSENCE.—A leave of absence under this section shall be subject to the provisions of subsections (c) and (d) of section 708 of title 10, United States Code.

(d) EXCLUSION FROM END STRENGTH LIMITATION.—A member of the Armed Forces, while on leave granted pursuant to this section, may not be counted for purposes of any provision of law that limits the active duty strength of the member's armed force.

(e) DEFINITIONS.—In this section:

(1) The term "Secretary concerned" has the meaning given such term in section 101 of title 10, United States Code.

(2) The term "eligible member of the Armed Forces" means a member of the Armed Forces who is eligible for an educational leave of absence under section 708(e) of such title.

(3) The term "public service and community service organization" has the meaning given such term in section 1143a of such title (as added by section 531(a)).

(f) EXPIRATION.—The authority to grant a leave of absence under subsection (a) shall expire on September 30, 1995.

SEC. 534. TEMPORARY EARLY RETIREMENT AUTHORITY.

(a) RETIREMENT FOR 15 TO 20 YEARS OF SERVICE.—(1) The Secretary of the Army may, upon the member's request, retire a member of the Army who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 3926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 3925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(2) The Secretary of the Navy may, upon the member's request, retire a member of the Navy or Marine Corps who has the following years of active service:

(A) In the case of a commissioned officer or enlisted member, between 15 and 20 years.

(B) In the case of a warrant officer, between 15 and 20 years computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(3) The Secretary of the Air Force may, upon the member's request, retire a member of the Air Force who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 8926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 8925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(b) ADDITIONAL ELIGIBILITY REQUIREMENT.—In order to be eligible for retirement under subsection (a), a member of the Armed Forces shall register on the registry maintained under section 1143a(b) of title 10, United States Code (as added by section 531(a)) and receive counselling regarding public and community service job opportunities from the Secretary of Defense or another source approved by the Secretary.

(c) COMPUTATION OF RETIRED PAY.—A member or former member of the Armed Forces retired under subsection (a) shall be entitled to retired pay computed under the provisions of chapter 71, 371, 571, or 871 of title 10, United States Code, that would be applicable to such member or former member if—

(1) the member or former member had been retired under section 1293 (in the case of a retired warrant officer), 3911 (in the case of a retired commissioned Army officer), 3914 (in the case of a retired enlisted member of the Army), 6323 (in the case of a retired commissioned officer of the Navy), 8911 (in the case of a retired commissioned Air Force officer), or 8914 (in the case of a retired enlisted member of the Air Force) of such title upon completion of 20 years of service creditable for purposes of eligibility for retirement; or

(2) in the case of a retired enlisted member of the Regular Navy or Regular Marine Corps, the retired enlisted member had been retired under section 6326 of such title upon completion of 30 years of active service in the Armed Forces creditable for purposes of eligibility for retirement.

(d) FUNDING.—(1) Notwithstanding section 1463 of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary of each military department shall provide in accordance with this section for the payment of retired or retainer pay payable during the fiscal years covered by

the other provisions of this subsection to members of the armed force under the jurisdiction of that Secretary who are being retired under the authority of this section.

(2) In each fiscal year in which the Secretary of a military department retires a member of the Armed Forces under the authority of this section, the Secretary shall credit to a subaccount (which the Secretary shall establish) within the appropriation account for that fiscal year for pay and allowances of active duty members of the armed force under the jurisdiction of that Secretary such amount as is necessary to pay the retired or retainer pay payable to such member for the entire initial period (determined under paragraph (3)) of the entitlement of that member to receive retired or retainer pay.

(3) The initial period applicable under paragraph (2) in the case of a retired member referred to in that paragraph is the number of years (and any fraction of a year) that is equal to the difference between 20 years and the number of years (and any fraction of a year) of service that were completed by the member (as computed under the provision of law referred to in subsection (a) that is applicable to that member) before being retired under this section.

(4) The Secretary shall pay the member's retired or retainer pay for such initial period out of amounts credited to the subaccount under paragraph (2). The amounts so credited with respect to that member shall remain available for payment for that period.

(e) COORDINATION OF BENEFITS.—A member of the Armed Forces retired under this section is not entitled to benefits under section 1174, 1174a, or 1175 of title 10, United States Code.

(f) TERMINATION OF AUTHORITY.—The authority under subsection (a) shall terminate on October 1, 1995.

SEC. 535. INCREASED EARLY RETIREMENT RETIRED PAY FOR PUBLIC OR COMMUNITY SERVICE.

(a) RECOMPUTATION OF RETIRED PAY.—(1) If a member or former member of the Armed Forces retired under section 534(a) or any other provision of law authorizing retirement from the Armed Forces (other than for disability) before the completion of at least 20 years of active duty service (as computed under the applicable provision of law) is employed by a public service or community service organization listed on the registry maintained under section 1143a(c) of title 10, United States Code (as added by section 531(a)), within the period of the member's enhanced retirement qualification period, the member's or former member's retired or retainer pay shall be recomputed effective on the first day of the first month beginning after the date on which the member or former member attains 62 years of age.

(2) For purposes of recomputing a member's or former member's retired pay—

(A) the years of the member's or former member's employment by a public service or community service organization referred to in paragraph (1) during the member's or former member's enhanced retirement qualification period shall be treated as years of active duty service in the Armed Forces; and

(B) in applying section 1401a of title 10, United States Code, the member's or former member's years of active duty service shall be deemed as of the date of retirement to have included the years of employment referred to in subparagraph (A).

(3) Section 1405(b) of title 10, United States Code, shall apply in determining years of service under this subsection.

(4) In this subsection, the term "enhanced retirement qualification period", with respect to a member or former member retired under a provision of law referred to in paragraph (1), means the period beginning on the date of the retirement of the member or former member and ending the number of years (including any fraction of a year) after that date which when added to the number of years (including any fraction of a year) of service credited for purposes of computing the retired pay of the member or former member upon retirement equals 20 years.

(b) SBP ANNUITIES.—(1) Effective on the first day of the first month after a member or former member of the Armed Forces retired under a provision of law referred to in subsection (a)(1) attains 62 years of age or, in the event of death before attaining that age, would have attained that age, the base amount applicable under section 1447(2) of title 10, United States Code, to any Survivor Benefit Plan annuity provided by that member or former member shall be recomputed. For the recomputation the total years (including any fraction of a year) of the member's or former member's active service shall be treated as having included the member's or former member's years (including any fraction of a year) of employment referred to in subsection (a)(1) as of the date when the member or former member became eligible for retired pay under this section.

(2) In this subsection, the term "Survivor Benefit Plan" means the plan established under subchapter II of chapter 73 of title 10, United States Code.

SEC. 536. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PERSONNEL TO ENROLL IN MONTGOMERY GI BILL PROGRAM WHILE BEING VOLUNTARILY SEPARATED FROM SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by inserting after section 3018A the following new section:

"§3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is voluntarily discharged from the Armed Forces with an honorable discharge, or voluntarily released from active duty under honorable conditions (as characterized by the Secretary concerned), pursuant to a request for separation approved under section 1174a or 1175 of title 10,

"(2) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree,

"(3) in the case of any individual who has made an election under section 3011(c)(1) of this title, withdraws such election pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section,

"(4) in the case of any person enrolled in the educational benefits program provided by chapter 32 of this title makes an irrevocable election, pursuant to procedures referred to in paragraph (3) of this subsection, to receive benefits under this section in lieu of benefits under such chapter 32, and

"(5) elects to receive assistance under this section pursuant to regulations referred to in paragraph (3) of this subsection,

is entitled to basic educational assistance under this chapter.

"(b) An election or withdrawal of election permitted under subsection (a) of this section is not effective unless—

"(1) in the case of an individual separated from active duty more than 90 days after the date of the enactment of this section, the individual makes the election or withdrawal before the separation;

"(2) in the case of an individual separated from active duty on or after the date of the enactment of this section and within 90 days after that date, the individual makes the election or withdrawal within 90 days after the separation; and

"(3) in the case of an individual separated from active duty before the date of the enactment of this section, the individual makes the election or withdrawal within 90 days after such date.

"(c)(1) An individual described in subsection (a) of this section who makes a withdrawal referred to in subsection (a)(3) of this section shall pay $1,200 to the Secretary of Veterans Affairs. In the case of an individual who makes the withdrawal of election before being separated, any portion of the obligation to pay $1,200 may be discharged by reduction of that individual's basic pay.

"(2) Amounts received by the Secretary pursuant to paragraph (1) shall be credited to the appropriation available for the fiscal year in which received for the Department of Veterans Affairs for the payment of readjustment benefits.

"(d) A withdrawal of election referred to in subsection (a)(3) of this section is irrevocable.

"(e)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(4) of this subsection shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) as provided in section 3223(b) of this title, to the individual the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to section 3222(c) of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such Account to make payments of benefits to such individual under section 3015(e) of this title.".

(2) The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 3018A the following new item:

"3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service.".

(b) CONFORMING AMENDMENTS.—(1) Section 3013(d) of such title is amended by inserting "or 3018B" after "section 3018A".

(2) Section 3015(e) of such title is amended by inserting "or 3018B" after "section 3018A".

(3) Section 3035(b)(3) of such title is amended—

(A) in the matter above subparagraph (A), by inserting "or 3018B" after "section 3018A"; and

(B) in subparagraph (B), by inserting "or 3018B(a)(3)" after "section 3018A(a)(3)".

SEC. 537. ELIMINATION OF RECOUPMENT REQUIREMENT FOR RESERVE DUTY.

Paragraph (2) of section 1175(e) of title 10, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), a member entitled to voluntary separation incentive payments who is also entitled to basic pay for active service shall forfeit an amount of voluntary separation incentive payable for the same period that is equal to the total amount of basic pay received.

"(B) Subparagraph (A) does not apply with respect to—

"(i) annual training; or

"(ii) active duty for training that is not active duty for a period of more than 30 days.".

SEC. 538. AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN EMPLOYMENT, JOB TRAINING, AND OTHER ASSISTANCE.

Section 1144(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "$4,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$11,000,000 for fiscal year 1993 and $8,000,000 for each of fiscal years 1994 and 1995."; and

(2) in paragraph (2), by striking out "$1,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$6,500,000 for each of fiscal years 1993, 1994, and 1995.".

SEC. 539. CONTINUED HEALTH COVERAGE FOR MEMBERS AND DEPENDENTS UPON THE SEPARATION OF THE MEMBERS FROM ACTIVE DUTY AND FOR EMANCIPATED CHILDREN OF MEMBERS.

(a) MEMBERS AND EMANCIPATED CHILDREN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1078 the following new section:

"§1078a. Continued health benefits coverage

"(a) PROVISION OF CONTINUED HEALTH COVERAGE.—The Secretary of Defense and the Director of the Office of Personnel Management shall jointly carry out a program in accordance with this section to provide persons described in subsection (b) with temporary health benefits under the program of continued health benefits coverage provided for former civilian employee of the Federal Government and other persons under section 8905a of title 5.

"(b) ELIGIBLE PERSONS.—The persons referred to in subsection (a) are the following:

"(1) A member of the armed forces who—

"(A) is discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily, under other than adverse conditions, as characterized by the Secretary concerned;

"(B) immediately preceding that discharge or release, is entitled to medical and dental care under section 1074(a) of this title (except in the case of a member discharged or released from full-time National Guard duty); and

"(C) after that discharge or release and any period of transitional health care provided under section 1145(a) of this title, would not otherwise be eligible for any benefits under this chapter.

"(2) A person who—

"(A) ceases to meet the requirements for being considered an unmarried dependent child of a member or former member of the armed forces under section 1072(2)(D) of this title;

"(B) on the day before ceasing to meet those requirements, was covered under a health benefits plan under this chapter or transitional health care under section 1145(a) of this title as a dependent of the member or former member; and

"(C) would not otherwise be eligible for any benefits under this chapter.

"(c) NOTIFICATION OF ELIGIBILITY.—(1) The Director, in consultation with the Secretary of Defense, shall prescribe regulations to provide for persons described in subsection (b) to be notified of eligibility to receive health benefits under this section.

"(2) In the case of a member who becomes (or will become) eligible for continued coverage under subsection (b)(1), the regulations shall provide for the Secretary concerned to notify the member of the member's rights under this section as part of preseparation counseling conducted under section 1142 of this title or any other provision of other law.

"(3) In the case of a child of a member who becomes eligible for continued coverage under subsection (b)(2), the regulations shall provide that—

"(A) the member may submit to the Secretary concerned a written notice of the child's change in status (including the child's name, address, and such other information as the Director may require); and

"(B) the Secretary concerned shall, within 14 days after receiving that notice, inform the child of the child's rights under this section.

"(d) ELECTION OF COVERAGE.—In order to obtain continued coverage under this section, an appropriate written election (submitted in such manner as the Director may prescribe) shall be made as follows:

"(1) In the case of a member described in subsection (b)(1), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date of the discharge or release of the member from active duty;

"(B) the date on which the period of transitional health care applicable to the member under section 1145(a) of this title ends; or

"(C) the date the member receives the notification required pursuant to subsection (c).

"(2) In the case of a person described in subsection (b)(2), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title, or

"(B) the date the person receives the notification pursuant to subsection (c),

except that if the Secretary concerned determines that the person's parent has failed to provide the notice referred to in subsection (c)(3)(A) with respect to the person in a timely fashion, the 60-day period under this paragraph shall be based only on the date under subparagraph (A).

"(e) COVERAGE OF DEPENDENTS.—A person eligible under subsection (b)(1) to elect to receive coverage may elect coverage either as an individual or, if appropriate, for self and dependents. A person eligible under subsection (b)(2) may elect only individual coverage.

"(f) CHARGES.—(1) Under arrangements satisfactory to the Director, a person receiving continued coverage under this section shall be required to pay into the Employees Health Benefits Fund established under section 8909 of title 5 an amount equal to the sum of—

"(A) the amount determined under section 8905a(d)(1)(A)(i) of title 5;

"(B) an amount, not in excess of 10 percent of the amount referred to in subparagraph (A), that is necessary for administrative expenses, as determined under regulations prescribed by the Director; and

"(C) such additional amount determined by the Director to be necessary to ensure that outlays from the Fund as a result of the program established under this section do not exceed amounts paid under this paragraph.

"(2) If a person elects to continue coverage under this section before the end of the applicable period under subsection (d), but after the person's coverage under this chapter (including any transitional extensions of coverage) expires, coverage shall be restored retroactively, with appropriate contributions (determined in accordance with paragraph (1)) and claims (if any), to the same extent and effect as though no break in coverage had occurred.

"(g) CONTRIBUTION.—Subject to the availability of appropriations for the purpose of this section, if the basis for continued coverage under this section for a member of the armed forces under subsection (b)(1) is involuntary separation approved under section 1174a or 1175 of this title, contributions shall be made in accordance with subsection (f)(1), except that—

"(1) the amount to be paid by the member shall be equal to the employee contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(2) the Secretary of Defense shall pay into the Employees Health Benefits Fund, under arrangements satisfactory to the Director of the Office of Personnel Management, an amount equal to—

"(A) the agency contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(B) the amount described in subsection (f)(1)(B).

"(h) PERIOD OF CONTINUED COVERAGE.—(1) Continued coverage under this section may not extend beyond—

"(A) in the case of a member described in subsection (b)(1), the date which is 18 months after the date the member ceases to be entitled to care under section 1074(a) of this title and any transitional care under section 1145 of this title, as the case may be; and

"(B) in the case of a person described in subsection (b)(2), the date which is 36 months after the date on which the individual first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title.

"(2) Notwithstanding paragraph (1)(B), if a person ceases to meet the requirements for being considered an unmarried dependent child of a member described in subsection (b)(1) during a period of continued coverage of that member for self and dependents under this section, extended coverage of that person under this section may not extend beyond the date which is 36 months after the date the member became ineligible for medical and dental care under section 1074(a) of this title and any transitional health care under section 1145(a) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1078 the following new item:

"1078a. Continued health benefits coverage.".

(b) TRANSITIONAL PROVISIONS.—The Director of the Office of Personnel Management shall provide a period for the enrollment for health benefits coverage under this section by members and former members of the Armed Services for whom the availability of transitional health care under section 1145(a) of title 10, United States Code, expires before

section 1078a of such title, as added by subsection (a), is implemented.

(c) TERMINATION OF APPLICABILITY OF OTHER CONVERSION HEALTH POLICIES.—(1) No person may purchase a conversion health policy under section 1145(b) of title 10, United States Code, on or after the date on which the Director of the Office of Personnel Management announces that section 1078a of such title is implemented. A person covered by such a conversion health policy on that date may cancel that policy and enroll in a health benefits plan under section 1078a of such title.

(2) No person may be covered concurrently by a conversion health policy under such section 1145(b) of title 10, United States Code, and a health benefits plan under section 1078a of such title.

(d) EFFECTIVE DATE.—Section 1078a of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1992.

Subtitle E—Guard and Reserve Transition Initiatives

SEC. 541. FORCE REDUCTION TRANSITION PERIOD DEFINED.

In this subtitle, the term "force reduction transition period" means the period beginning on October 1, 1991, and ending on September 30, 1995.

SEC. 542. MEMBER OF SELECTED RESERVE DEFINED.

In this subtitle, the term "member of the Selected Reserve" means—

(1) a member of a unit in the Selected Reserve of the Ready Reserve; and

(2) a Reserve designated pursuant to section 268(b) of title 10, United States Code.

SEC. 543. RESTRICTION ON RESERVE FORCE REDUCTION.

(a) IN GENERAL.—During the force reduction transition period, no unit in the Selected Reserve of the Ready Reserve of the Armed Forces may be inactivated and no member of the Selected Reserve may be involuntarily discharged from a reserve component of the Armed Forces or involuntarily transferred from the Selected Reserve before the Secretary of Defense has promulgated, implemented, and transmitted to the Committees on Armed Services of the Senate and House of Representatives regulations that govern the treatment of members of the Selected Reserve assigned to such units and members of the Selected Reserve that are being subjected to such actions.

(b) SAVINGS PROVISION.—Subsection (a) shall not apply to actions completed before the date of the enactment of this Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the prohibition in section 411(c).

SEC. 544. TRANSITION PLAN REQUIREMENTS.

(a) PURPOSE OF PLAN.—The purpose of the regulations referred to in section 543 shall be to ensure that the members of the Selected Reserve are treated with fairness, with respect for their service to their country, and with attention to the adverse personal consequences of Selected Reserve unit inactivations, involuntary discharges of such members from the reserve components of the Armed Forces, and involuntary transfers of such members from the Selected Reserve.

(b) SCOPE OF PLAN.—The regulations shall include—

(1) such provisions as are necessary to implement the provisions of this subtitle and the amendments made by this subtitle; and

(2) such other policies and procedures for the recruitment of personnel for service in the Selected Reserve of the Ready Reserve, and for the reassignment, retraining, separation, and retirement of members of the Selected Reserve, as are appropriate for satisfying the needs of the Selected Reserve together with the purpose set out in subsection (a).

(c) MINIMUM REQUIREMENTS FOR PLAN.—The regulations shall include the following:

(1) The giving of a priority to personnel referred to in section 543(a) for reassignment to Selected Reserve units not being inactivated.

(2) The giving of a priority to such personnel for transfer among the reserve components of the Armed Forces in order to facilitate reassignment to such units.

(3) A requirement that the Secretaries of the military departments take diligent actions to ensure that members of the reserve components of the Armed Forces are informed in easily understandable terms of the rights and benefits conferred upon such personnel by this subtitle, by the amendments made by this subtitle, and by such regulations.

(4) Such other protections, preferences, and benefits as the Secretary of Defense considers appropriate.

(d) UNIFORM APPLICABILITY.—The regulations shall apply uniformly to the Army, Navy, Air Force, and Marine Corps.

SEC. 545. INAPPLICABILITY TO CERTAIN DISCHARGES AND TRANSFERS.

The protections, preferences, and benefits provided for in regulations prescribed in accordance with this subtitle do not apply with respect to a member of the Selected Reserve who is discharged from a reserve component of the Armed Forces or is transferred from the Selected Reserve to another category of the Ready Reserve, to the Standby Reserve, or to the Retired Reserve—

(1) at the request of the member unless such request was made and approved under a provision of this subtitle or section 1331a of title 10, United States Code (as added by section 547);

(2) because the member no longer meets the qualifications for membership in the Selected Reserve set forth in any provision of law as in effect on the day before the date of the enactment of this Act;

(3) under adverse conditions, as characterized by the Secretary of the military department concerned; or

(4) if the member—

(A) is immediately eligible for retired pay based on military service under any provision of law;

(B) is serving as a military technician, as defined in section 8401(30) of title 5, United States Code, and would be immediately eligible for an unreduced annuity under the provisions of subchapter III of chapter 83 of such title, relating to the Civil Service Retirement and Disability System, or the provisions of chapter 84 of such title, relating to the Federal Employees' Retirement System; or

(C) is eligible for separation pay under section 1174 of title 10, United States Code.

SEC. 546. FORCE REDUCTION PERIOD RETIREMENTS.

(a) TEMPORARY SPECIAL AUTHORITY.—During the period referred to in subsection (b), the Secretary concerned may grant a member of the Selected Reserve under the age of 60 years the annual payments provided for under this section if—

(1) as of October 1, 1991, that member has completed at least 20 years of service computed under section 1332 of title 10, United States Code, or after that date and before October 1, 1995, such member completes 20 years of service computed under that section;

(2) the member satisfies the requirements of paragraphs (3) and (4) of section 1331(a) of title 10, United States Code; and

(3) the member applies for transfer to the Retired Reserve—

(A) in the case of a member who has not received the notice required by section 1331(d) of that title before the date of the enactment of this Act, within one year after receiving such notice; and

(B) in the case of a member who received such a notice before the date of the enactment of this Act, within one year after that date.

(b) PERIOD OF APPLICABILITY.—The period referred to in subsection (a) is, with respect to a member of the Selected Reserve, the force reduction transition period, the period provided under paragraph (3) of that subsection for the member to submit an application, and the period necessary for taking action on that application.

(c) ANNUAL PAYMENT PERIOD.—An annual payment granted to a member under this section shall be paid for 5 years, except that if the member attains 60 years of age during the 5-year period the entitlement to the annual payment shall terminate on the member's 60th birthday.

(d) COMPUTATION OF ANNUAL PAYMENT.—(1) The annual payment for a member shall be equal to the amount determined by multiplying the product of 12 and the applicable percent under paragraph (2) by the monthly basic pay to which the member would be entitled if the member were serving on active duty as of the date the member is transferred to the Retired Reserve.

(2)(A) Subject to subparagraph (B) the percent applicable to a member for purposes of paragraph (1) is 5 percent plus 0.5 percent for each full year of service, computed under section 1332 of title 10, United States Code, that a member has completed in excess of 20 years before transfer to the Retired Reserve.

(B) The maximum percent applicable under this paragraph is 10 percent.

(e) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary concerned may limit the applicability of this section to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(f) NONDUPLICATION OF BENEFITS.—A member transferred to the Retired Reserve under the authority of section 1331a of title 10, United States Code (as added by section 547), may not be paid annual payments under this section.

(g) FUNDING.—To the extent provided in appropriations Acts, payments under this section in a fiscal year shall be made out of amounts available to the Department of Defense for that fiscal year for the pay of reserve component personnel.

(h) HEALTH CARE BENEFITS.—A member of the Retired Reserve receiving annual payments under this section shall be treated as a member of the uniformed services entitled to retired or retainer pay for the purposes of the provisions of chapter 55 of title 10, United States Code.

SEC. 547. RETIREMENT WITH 15 YEARS OF SERVICE.

(a) AUTHORITY.—Chapter 67 of title 10, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Temporary special retirement qualification authority

"(a) RETIREMENT WITH AT LEAST 15 YEARS OF SERVICE.—For the purposes of section 1331 of this title, the Secretary of a military department may—

"(1) during the period described in subsection (b), determine to treat a member of the Selected Reserve of a reserve component of the armed force under the jurisdiction of that Secretary as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member—

"(A) as of October 1, 1991, has completed at least 15, and less than 20, years of service computed under section 1332 of this title; or

"(B) after that date and before October 1, 1995, completes 15 years of service computed under that section; and

"(2) upon the request of the member submitted to the Secretary within one year after the date of the notification referred to in paragraph (1), transfer the member to the Retired Reserve.

"(b) PERIOD OF AUTHORITY.—The period referred to in subsection (a)(1) is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993 and ending on October 1, 1995.

"(c) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) The Secretary of the military department concerned may limit the applicability of subsection (a) to any category of personnel defined by the Secretary in order to meet a need of the armed force under the jurisdiction of the Secretary to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

"(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a) of the National Defense Authorization Act for Fiscal Year 1993.

"(d) EXCLUSION.—This section does not apply to persons referred to in section 1331(c) of this title.

"(e) REGULATIONS.—The authority provided in this section shall be subject to regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1331 the following new item:

"1331a. Temporary special retirement qualification authority.".

SEC. 548. SEPARATION PAY.

(a) ELIGIBILITY.—Subject to section 545, a member of the Selected Reserve who, after completing at least 6 years of service computed under section 1332 of title 10, United States Code, and before completing 15 years of service computed under that section, is involuntarily discharged from a reserve component of the Armed Forces or is involuntarily transferred from the Selected Reserve is entitled to separation pay.

(b) AMOUNT OF SEPARATION PAY.—(1) The amount of separation pay which may be paid to a person under this section is 15 percent of the product of—

(A) the years of service credited to that person under section 1333 of title 10, United States Code; and

(B) 62 times the daily equivalent of the monthly basic pay to which the person would have been entitled had the person been serving on active duty at the time of the person's discharge or transfer.

(2) In the case of a person who receives separation pay under this section and who later receives basic pay, compensation for inactive duty training, or retired pay under any provision of law, such basic pay, compensation, or retired pay, as the case may be, shall be reduced by 75 percent until the total amount withheld through such reduction equals the total amount of the separation pay received by that person under this section.

(c) RELATIONSHIP TO OTHER SERVICE-RELATED PAY.—Subsections (g) and (h) of section 1174 of title 10, United States Code, shall apply to separation pay under this section.

(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations, which shall be uniform for the Army, Navy, Air Force, and Marine Corps, for the administration of this section.

SEC. 549. WAIVER OF CONTINUED SERVICE REQUIREMENT FOR MONTGOMERY GI BILL BENEFITS.

(a) IN GENERAL.—The eligibility of a person referred to in subsection (b)—

(1) to be provided educational assistance under chapter 106 of title 10, United States Code, may not be terminated under section 2134(2) of that title, or

(2) to be provided educational assistance under chapter 30 of title 38, United States Code, may not be terminated under section 3012(a) of that title,

on the basis of the termination of that person's status as a member of the Selected Reserve under the circumstances described in subsection (b).

(b) APPLICABILITY.—Subsection (a) applies to a member of the Selected Reserve who, before completing the years of service in the Selected Reserve agreed to under section 2132(a) of title 10, United States Code, or the years of service required by section 3012(a) of title 38, United States Code, as the case may be, ceases to be a member of the Selected Reserve during the force reduction transition period by reason of the inactivation of his unit of assignment or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 268(b) of title 10, United States Code.

SEC. 550. COMMISSARY AND EXCHANGE PRIVILEGES.

The Secretary of Defense shall prescribe regulations to authorize a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period to continue to use commissary and exchange stores in the same manner as a member of the Selected Reserve for a period of one year after the later of—

(1) the date on which that person ceases to be a member of the Selected Reserve; or

(2) the date of the enactment of this Act.

SEC. 551. TEMPORARY CONTINUATION OF SERVICEMEN'S GROUP LIFE INSURANCE.

(a) CONTINUED COVERAGE.—For the purposes of section 1968(a) of title 38, United States Code, the 120-day period of coverage provided for under paragraph (4) of such section shall be extended to a 365-day period of coverage in the case of a former member of the Selected Reserve referred to in subsection (b).

(b) ELIGIBILITY.—Subsection (a) applies to a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period and is ready, willing, and able to perform the training described in section 1965(5)(B) of title 38, United States Code.

(c) PAYMENT OF PREMIUMS.—The total amount of the cost attributable to insuring a person under this section shall be paid from any funds available to the Department of Defense for the pay of reserve component personnel that the Secretary of Defense determines appropriate.

(d) IMPLEMENTATION.—The Secretary of Veterans Affairs shall take any contracting and other actions that are necessary to ensure that the provisions of this section are implemented promptly.

SEC. 552. APPLICABILITY AND TERMINATION OF BENEFITS.

(a) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned may limit the applicability of a benefit provided under sections 548 through 551 to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(b) INAPPLICABILITY TO CERTAIN SEPARATIONS AND REASSIGNMENTS.—Sections 548 through 551 do not apply with respect to personnel who cease to be members of the Selected Reserve under adverse conditions, as characterized by the Secretary of the military department concerned.

(c) TERMINATION OF BENEFITS.—The eligibility of a member of a reserve component of the Armed Forces (after having involuntarily ceased to be a member of the Selected Reserve) to receive benefits and privileges under sections 548 through 551 terminates upon the involuntary separation of such member from the Armed Forces under adverse conditions, as characterized by the Secretary of the military department concerned.

Subtitle F—Other Matters

SEC. 561. RETENTION ON ACTIVE DUTY OF ENLISTED MEMBERS WITHIN TWO YEARS OF ELIGIBILITY FOR RETIREMENT.

(a) IN GENERAL.—Chapter 59 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1176. Enlisted members: retention after completion of 18 or more, but less than 20, years of service

"(a) REGULAR MEMBERS.—A regular enlisted member who is selected to be involuntarily separated, or whose term of enlistment expires and who is denied reenlistment, and who on the date on which the member is to be discharged is within two years of qualifying for retirement under section 3914 or 8914 of this title, or of qualifying for transfer to the Fleet Reserve or Fleet Marine Corps Reserve under section 6330 of this title, shall be retained on active duty until the member is qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve, as the case may be, unless the member is sooner retired or discharged under any other provision of law.

"(b) RESERVE MEMBERS.—A reserve enlisted member serving on active duty who is selected to be involuntarily separated, or whose term of enlistment expires and who is denied reenlistment, and who on the date on which the member is to be discharged or re-

leased from active duty is entitled to be credited with at least 18 but less than 20 years of service computed under section 1332 of this title, may not be discharged or released from active duty without the member's consent before the earlier of the following:

"(1) If as of the date on which the member is to be discharged or released from active duty the member has at least 18, but less than 19, years of service computed under section 1332 of this title—

"(A) the date on which the member is entitled to be credited with 20 years of service computed under section 1332 of this title; or

"(B) the third anniversary of the date on which the member would otherwise be discharged or released from active duty.

"(2) If as of the date on which the member is to be discharged or released from active duty the member has at least 19, but less than 20, years of service computed under section 1332 of this title—

"(A) the date on which the member is entitled to be credited with 20 years of service computed under section 1332 of this title; or

"(B) the second anniversary of the date on which the member would otherwise be discharged or released from active duty.".

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

"1176. Enlisted members: retention after completion of 18 or more, but less than 20, years of service.".

SEC. 562. LIMITATIONS ON ENLISTED AIDES.

(a) LIMITATION ON NUMBER.—Subsection (b) of section 981 of title 10, United States Code, is amended by striking out "300" and inserting in lieu thereof "240".

(b) LIMITATION ON ASSIGNMENTS.—Section 981 of such title is amended by adding at the end the following new subsection:

"(c) An enlisted member may be assigned or otherwise detailed to duty as an enlisted aide on the personal staff of an officer only if the officer is serving in the position of a commander.".

(c) CONFORMING AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 981. Limitations on enlisted aides".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 is amended to read as follows:

"981. Limitations on enlisted aides.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 563. LIMITATION RELATING TO PERMANENT CHANGES OF STATIONS.

Of the funds appropriated to the Department of Defense for fiscal year 1993 for military personnel, not more than $2,863,110,000 is authorized to be made available for the costs of permanent changes of station.

SEC. 564. REDUCTIONS IN NUMBER OF PERSONNEL CARRYING OUT RECRUITING ACTIVITIES.

The average daily number of members of the Armed Forces serving on full-time active duty or full-time National Guard duty who, as a primary duty, carry out personnel recruiting activities during fiscal year 1994 may not exceed the number equal to 90 percent of the average daily number of members of the Armed Forces who, as a primary duty, carried out personnel recruiting activities while serving on full-time active duty or full-time National Guard duty during fiscal year 1992. The Secretary of Defense shall ensure that the number of such personnel who, as a primary duty, carry out such activities is reduced appropriately in fiscal year 1993 to achieve the reduction required for fiscal year 1994.

SEC. 565. JUNIOR RESERVE OFFICER TRAINING CORPS.

(a) REORGANIZATION OF TEXT.—Subsection (a) of section 2031 of title 10, United States Code, is amended by redesignating the first, second, and third sentences as paragraphs (1), (3), and (4), respectively.

(b) PURPOSE OF PROGRAM.—Subsection (a) of such section, as amended by subsection (a) of this section, is further amended by inserting after paragraph (1) the following new paragraph (2):

"(2) It is a purpose of the Junior Reserve Officers' Training Corps to instill in students in United States secondary educational institutions the values of citizenship, service to the United States, and personal responsibility, and an appreciation of self-worth.".

(c) INCREASED LIMITATION ON NUMBER OF UNITS.—Paragraph (3) of section 2031(a) of title 10, United States Code, as designated by subsection (a) of this section, is amended to read as follows:

"(3) The total number of units which may be established and maintained by all of the military departments under authority of this section may not exceed 3,500.".

(d) WAIVER OF PAY CONTRIBUTION BY SCHOOLS.—Section 2031(d)(1) of such title is amended by adding at the end the following: "The Secretary of the military department concerned may pay the entire additional amount to an institution if the Secretary determines that such action is in the national interest and in the interest of the community of that institution.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1993.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1993 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective of January 1, 1993, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 3.7 percent.

SEC. 602. TEMPORARY RATES OF BASIC PAY FOR CERTAIN NONCOMMISSIONED OFFICERS AND WARRANT OFFICERS AND FOR CERTAIN COLONELS AND NAVY CAPTAINS.

(a) RATES OF PAY.—For months beginning after December 31, 1992, and before October 1, 1995, the rate of monthly basic pay for a member of the uniformed services (entitled to such pay under section 204 of title 37, United States Code) in pay grade E-7, E-8, E-9, W-4, W-5, or O-6 with over 24, but under 26, years of service (computed under section 205 of such title) shall be as follows:

(1) For pay grade E-7, $2,359.30.
(2) For pay grade E-8, $2,639.70.
(3) For pay grade E-9, $2,977.70.
(4) For pay grade W-4, $3,430.90.
(5) For pay grade W-5, $3,827.30.
(6) For pay grade O-6, $5,417.70.

(b) ADJUSTMENTS.—The rates of monthly basic pay established under subsection (a) shall be adjusted in accordance with section 1009 of title 37, United States Code.

SEC. 603. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) REENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(b) ENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(c) AVIATOR RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(d) EXTENSION OF BONUS AUTHORITIES FOR RESERVE ENLISTMENTS, REENLISTMENTS, AFFILIATIONS, AND EXTENSIONS.—Sections 308b(f), 308c(e), 308e(e), 308h(g), and 308i(i) of title 37, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(e) EXTENSION OF SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(f) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1993".

(g) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(h) NURSE CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(i) SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 30, 1992.

Subtitle B—Other Matters

SEC. 611. REQUIREMENT FOR PROPOSAL ON CONCURRENT PAYMENT OF RETIRED OR RETAINER PAY AND VETERANS' DISABILITY COMPENSATION.

The Secretary of Defense shall—

(1) submit to the congressional defense committees the Secretary's recommendations for legislation—

(A) to permit the concurrent payment to members and former members of the Armed Forces of full retired or retainer pay and full compensation for service-connected disabilities payable under laws administered by the Secretary of Veterans Affairs; or

(B) to ensure by some other means that members and former members of the Armed Forces entitled to retired or retainer pay are not financially penalized by being entitled to compensation for service-connected disabilities payable under such laws; and

(2) reserve in the legislative contingency fund of the Department of Defense a sufficient amount to ensure the concurrent payment of full retired or retainer pay to members and former members entitled to disability compensation referred to in paragraph (1) in fiscal year 1994 in the event that such legislation is enacted.

SEC. 612. EXPANSION OF REIMBURSABLE ADOPTION EXPENSES.

(a) DEPARTMENT OF DEFENSE PROGRAM.—Section 1052(g) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking out "through adoption or by" and inserting in lieu thereof "through adoption, by"; and

(ii) by inserting ", or through a private placement" before the period at the end; and

(B) by striking out the second sentence;

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

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

"(2) The term 'qualifying adoptions expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the armed forces is stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law."; and

(4) in paragraph (3), as redesignated by paragraph (2)—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2), transportation expenses relating to the adoption.".

(b) COAST GUARD PROGRAM.—Section 514(g) of title 14, United States Code, is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking out "through adoption or by" and inserting in lieu thereof "through adoption, by"; and

(ii) by inserting ", or through a private placement" before the period at the end; and

(B) by striking out the second sentence;

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

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

"(2) The term 'qualifying adoptions expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the Armed Forces is stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law."; and

(4) in paragraph (3), as redesignated by paragraph (2)—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2), transportation expenses relating to the adoption.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect as of October 1, 1990, and shall apply to qualifying adoption expenses incurred on or after that date for adoption proceedings initiated on or after that date.

SEC. 613. PROHIBITION ON THE ASSERTION OF LIENS ON PERSONAL PROPERTY BEING TRANSPORTED AT GOVERNMENT EXPENSE.

(a) TITLE 37.—Section 406 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(n) No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of baggage and household goods being transported under this section.".

(b) TITLE 10.—Section 2634 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of a motor vehicle being transported under this section.".

SEC. 614. ADVANCE PAYMENTS IN CONNECTION WITH EVACUATIONS OF PERSONNEL.

(a) EXPANDED AUTHORITY.—Section 1006(c) of title 37, United States Code, is amended by striking out the first and second sentences and inserting in lieu thereof the following: "Under regulations prescribed by the Secretary concerned, an advance of pay to a member of a uniformed service who is on duty outside the United States, or other place designated by the President, of not more than 2 month's basic pay may be made to a member if the member or his dependents are ordered evacuated by competent authority. An advance of pay under this subsection is not subject to the conditions under which advances of pay may be made under subsection (a) or (b). An advance may be made on the basis of the evacuation of a member's dependents only if all dependents of members of the uniformed services are ordered evacuated from the place where the member's dependents are located. In the case of a member with dependents, the payment may be made directly to dependents previously designated by the member.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to evacuations on or after June 1, 1991.

SEC. 615. INCREASE IN RECOMPUTED RETIRED PAY FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.

(a) MEMBERS INITIALLY ACCESSED BEFORE SEPTEMBER 8, 1980.—Section 1402 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) In the case of a member who is entitled to recompute retired pay under this section upon release from active duty served after retiring under section 3914 or 8914 of this title, the member's retired pay as recomputed under another provision of this section shall be increased by 10 percent of the amount so recomputed if the member has been credited by the Secretary concerned with extraordinary heroism in the line of duty during any period of active duty service in the armed forces.

"(2) The amount of the retired pay as recomputed under another provision of this section and as increased under paragraph (1) may not exceed the amount equal to 75 percent of the monthly rate of basic pay upon which the recomputation of such retired pay is based.

"(3) The determination of the Secretary concerned as to extraordinary heroism is conclusive for all purposes.".

(b) MEMBERS INITIALLY ACCESSED AFTER SEPTEMBER 7, 1980.—Section 1402a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) ADDITIONAL 10 PERCENT FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.—(1) In the case of a member who is entitled to recompute retired pay under this section upon release from active duty served after retiring under section 3914 or 8914 of this title, the member's retired pay as recomputed under another provision of this section shall be increased by 10 percent of the amount so recomputed if the member has been credited by the Secretary concerned with extraordinary heroism in the line of duty during any period of active duty service in the armed forces.

"(2) The amount of the retired pay as recomputed under another provision of this section and as increased under paragraph (1) may not exceed the amount equal to 75 percent of the retired pay base upon which the recomputation of such retired pay is based.

"(3) The determination of the Secretary concerned as to extraordinary heroism is conclusive for all purposes.".

(c) PROSPECTIVE APPLICABILITY.—No benefits shall accrue for months beginning before the date of the enactment of this Act by reason of the amendments made by this section.

SEC. 616. AUTHORIZED BENEFITS UNDER SPECIAL SEPARATION BENEFITS PROGRAMS.

(a) TRAVEL AND TRANSPORTATION BENEFITS.—Subsection (b)(2)(B) of section 1174a of title 10, United States Code, is amended by inserting after "chapter 58 of this title" the following: ", sections 404 and 406 of title 37, and section 503(c) of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1558; 37 U.S.C. 406 note)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of December 5, 1991.

SEC. 617. RETIRED PAY FOR PERSONS WHO WERE RESERVES OF AN ARMED FORCE BEFORE AUGUST 16, 1945.

(a) ELIGIBILITY FOR RETIRED PAY FOR NONREGULAR SERVICE.—Section 1331(c) of title 10, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

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

"(3) he performed at least 20 years of service (computed under section 1332 of this title) after August 15, 1945.".

(b) EXCLUSION OF CERTAIN SERVICE FOR PURPOSES OF DETERMINING ENTITLEMENT FOR RETIRED PAY.—Section 1332(b) of such title is amended by adding at the end the following new paragraph:

"(8) Service before August 16, 1945, if eligibility for retired pay is based on section 1331(c)(3) of this title.".

(c) EXCLUSION OF CERTAIN SERVICE FOR PURPOSES OF COMPUTING RETIRED PAY.—Section 1333 of such title is amended—

(1) by striking out "For" and inserting in place thereof "(a) Except as provided in subsection (b), for"; and

(2) by adding the following new subsection:

"(b) Service before August 16, 1945, may not be counted under subsection (a) if eligibility for retired pay is based on section 1331(c)(3) of this title.".

SEC. 618. REFERENCES RELATING TO TRAVEL AND TRANSPORTATION BENEFITS.

Section 404(e) of title 37, United States Code, is amended—

(1) by striking out "Military Airlift Command" and inserting in lieu thereof "Air Mobility Command"; and

(2) by striking out "or Naval Aircraft Ferrying Squadrons," and inserting in lieu thereof "Naval Aircraft Ferrying Squadrons, or any other unit determined by the Secretary concerned to be performing duties similar to the duties performed by such command or squadrons,".

SEC. 619. SUBSISTENCE REIMBURSEMENT RELATING TO ESCORTS OF FOREIGN ARMS CONTROL INSPECTION TEAMS.

(a) TRAVEL ALLOWANCE.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 434. Subsistence reimbursement relating to escorts of foreign arms control inspection teams

"(a) Under uniform regulations prescribed by the Secretaries concerned, a member of the armed forces may be reimbursed for the reasonable cost of subsistence incurred by the member while performing duties as an escort of an arms control inspection team of a foreign country, or any member of such a team, while the team or the team member, as the case may be, is engaged in activities related to the implementation of an arms control treaty or agreement.

"(b) The authority under subsection (a) applies to the period during which the inspection team, pursuant to authority specifically provided in the applicable arms control treaty or agreement, is in the country where inspections and related activities are being conducted by the team pursuant to that treaty or agreement.

"(c) The authority under subsection (a) applies to a member of the armed forces whether the duties referred to in that subsection are performed at, near, or away from the member's permanent duty station.".

(2) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end the following new item:

"434. Subsistence reimbursement relating to escorts of foreign arms control inspection teams.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to duty performed on or after the date of the enactment of this Act.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. APPOINTMENT OF CHIROPRACTORS AS COMMISSIONED OFFICERS.

(a) ARMY.—(1) Section 3068(a)(5) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of subparagraph (D);

(B) by redesignating subparagraph (E) as subparagraph (F); and

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

"(E) the Chiropractic Section; and".

(2)(A) Chapter 335 of title 10, United States Code, is amended by inserting after section 3283 the following new section 3284:

"§ 3284. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Army may be appointed a regular commissioned officer in the Medical Service Corps of the Army.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3283 the following new item:

"3284. Appointment of chiropractors as commissioned officers.".

(3)(A) Chapter 337 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3397. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Army may be appointed a reserve commissioned officer in the Medical Service Corps of the Army.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3396 the following new item:

"3397. Appointment of chiropractors as commissioned officers.".

(b) NAVY.—(1) Chapter 539 of such title is amended by inserting after the table of sections for such chapter the following new section 5571:

"§ 5571. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Navy may be appointed a regular commissioned officer or a reserve commissioned officer in the Medical Corps of the Navy.".

(2) The table of sections at the beginning of such chapter is amended by inserting above the item relating to section 5582 the following new item:

"5571. Appointment of chiropractors as commissioned officers.".

(c) AIR FORCE.—(1) Section 8067 of such title is amended—

(A) by redesignating subsections (g), (h), and (i) as subsections (h), (i), and (j), respectively; and

(B) by inserting after subsection (f) the following new subsection (g):

"(g) Chiropractic functions in the Air Force shall be performed by commissioned officers of the Air Force who are qualified under regulations prescribed by the Secretary and who are designated as chiropractic officers.".

(2)(A) Chapter 835 of title 10, United States Code, is amended by inserting after section 8281 the following new section 8284:

"§ 8284. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Air Force may be appointed a regular commissioned officer in the Air Force for designation as a chiropractic officer.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8281 the following new item:

"8284. Appointment of chiropractors as commissioned officers.".

(3)(A) Chapter 837 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8397. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Air Force may be appointed a reserve commissioned officer in the Air Force for designation as a chiropractic officer.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8396 the following new item:

"8397. Appointment of chiropractors as commissioned officers.".

(4) Section 8579 of such title is amended—

(A) by striking out "or biomedical sciences officer" and inserting in lieu thereof "biomedical sciences, or chiropractic officer"; and

(B) by striking out "or (i) of section 8067" and inserting in lieu thereof "(g), or (j) of section 8067".

(5) Section 8848(b) of such title is amended by striking out "section 8067 (a)–(d) or (g)–(i)" and inserting in lieu thereof "any of subsections (a) through (d) or (g) through (j) of section 8067".

SEC. 702. REVISIONS TO DEPENDENTS' DENTAL PROGRAM UNDER CHAMPUS.

(a) REPEAL OF AUTHORITY TO ESTABLISH SUPPLEMENTAL PLANS.—Section 1076a of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "and supplemental" in the first sentence; and

(B) by striking out the last sentence;

(2) in subsection (b), by striking out paragraph (3);

(3) in subsection (d)—

(A) by striking out paragraph (2);

(B) by striking out "(1)" before "A basic"; and

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

(4) by striking out subsection (e) and inserting in lieu thereof the following:

"(e) COPAYMENTS.—A member whose spouse or child receives care under a basic dental benefits plan shall—

"(1) pay no charge for care described in subsection (d)(1); and

"(2) pay 20 percent of the charges for care described in subsection (d)(2).".

(b) PREMIUM INCREASE.—Subsection (b)(2) of such section is amended by striking out "$10" and inserting in lieu thereof "$20".

(c) IMPROVEMENT IN BENEFITS.—Subsection (d) of such section, as amended by subsection (a)(3) of this section, is further amended by adding at the end the following new paragraph:

"(3) Orthodontic services, crowns, gold fillings, bridges, and complete or partial dentures.".

(d) COPAYMENT FOR ADDITIONAL BENEFITS.—Subsection (e) of such section, as amended by subsection (a)(4) of this section, is further amended—

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

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

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

"(3) pay a percentage of the charges for care described in subsection (d)(3) that is determined appropriate by the Secretary of Defense, after consultation with the other administering Secretaries.".

(e) PROGRAM OF IMPROVED DEPENDENTS' DENTAL BENEFITS.—(1) The Secretary of Defense, after consulting with the other administering Secretaries, shall devise and implement a program for the improvement of the provision of dental benefits to dependents of members of the Armed Forces under the Civilian Health and Medical Program of the Uniformed Services.

(2) In this subsection:

(A) The term "administering Secretaries" has the meaning given such term in section 1072(3) of title 10, United States Code.

(B) The term "Civilian Health and Medical Program of the Uniformed Services" has the meaning given that term in section 1072(4) of such title.

(3) Of the funds authorized to be appropriated in section 301, $80,000,000 shall be available to the Secretary of Defense for carrying out paragraph (1).

(f) EFFECTIVE DATES AND SAVINGS PROVISION.—(1) The amendments made by subsections (a) and (b) shall take effect on the first day of the first month that begins after the date of the enactment of this Act. The amendments made by subsections (c) and (d) shall take effect on the date of the enactment of this Act.

(2) Spouses and children who, on the day before the date of the enactment of this Act, are covered by enrollments in supplemental dental benefits plans established under section 1076a of title 10, United States Code, may continue to receive benefits under such plan until the first day of the sixth month that begins after such date, subject to the premium requirement provided in paragraph (3) of section 1076a of title 10, United States Code, as such paragraph was in effect on the day before the effective date of the amendments made by subsection (a).

SEC. 703. SENSE OF CONGRESS REGARDING HEALTH CARE POLICY FOR THE UNIFORMED SERVICES.

It is the sense of Congress that—

(1) members and former members of the uniformed services, and their dependents and survivors, should have access to health care under the health care delivery system of the uniformed services regardless of the age or health care status of the person seeking the health care;

(2) such health care delivery system should include a comprehensive managed care plan;

(3) the comprehensive managed care plan should involve medical personnel of the uniformed services (including reserve component personnel), civilian health care professionals of the executive agency of such uniformed services, medical treatment facilities of the uniformed services, contract health care personnel, and the medicare system;

(4) the Secretary of Defense, the Secretary of Health and Human Services, and the Secretary of Transportation should continue to provide active duty personnel of the uniformed services with free care in medical treatment facilities of the uniformed services and to provide the other personnel referred to in paragraph (1) with health care at minimal cost to the recipients of the care; and

(5) the Secretaries referred to in paragraph (4) should offer additional health care options to the personnel referred to in paragraph (1) including, in the case of persons eligible for medicare under title XVIII of the Social Security Act, options providing for—

(A) the reimbursement of the Department of Defense by the Secretary of Health and Human Services for health care services provided such personnel at medical treatment facilities of the Department of Defense; and

(B) the sharing of the payment of the costs of contract health care by the Department of Defense and the Department of Health and Human Services, with one such department being the primary payer of such costs and the other such department being the secondary payer of such costs.

SEC. 704. MILITARY HEALTH CARE FOR PERSONS RELIANT ON HEALTH CARE FACILITIES AT BASES BEING CLOSED AND REALIGNED.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a joint services working group on the provision of military health care to persons who rely for health care on health care facilities at military installations being closed or realigned.

(b) MEMBERSHIP.—The members of the working group shall include the Assistant Secretary of Defense for Health Affairs, the Surgeon General of the Army, the Surgeon General of the Navy, the Surgeon General of the Air Force, or a designee of each such person, and one independent member appointed by the Secretary of Defense from among private citizens whose interest in matters within the responsibility of the working group qualify that person to represent all personnel entitled to health care under chapter 55 of title 10, United States Code.

(c) DUTIES.—(1) In the case of each closure or realignment of a military installation that will adversely affect the accessibility of health care in a facility of the uniformed services for persons entitled to such health care under chapter 55 of title 10, United States Code, the working group shall solicit the views of such persons regarding suitable substitutes for the furnishing of health care to those persons under that chapter.

(2) In carrying out paragraph (1), the working group—

(A) shall conduct meetings with persons referred to in that paragraph, or representatives of such persons;

(B) may use reliable sampling techniques;

(C) shall visit the areas where closures and realignments of military installations will adversely affect the accessibility of health care in a facility of the uniformed services for persons referred to in paragraph (1) and shall conduct public meetings; and

(D) shall ensure that members of the uniformed services on active duty, members and former members of the uniformed services entitled to retired or retainer pay, and dependents and survivors of such members and retired personnel are afforded the opportunity to express views.

(d) RECOMMENDATIONS.—With respect to each closure and realignment of a military installation referred to in subsection (c), the working group shall submit to the Congress and the Secretary of Defense the working group's recommendations regarding the alternative means for continuing to provide accessible health care under chapter 55 of title 10, United States Code, to persons referred to in that subsection.

(e) APPLICATION OF ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the joint services working group established pursuant to this section.

SEC. 705. PROGRAMS RELATING TO THE SALE OF PHARMACEUTICALS.

(a) PHARMACEUTICALS BY MAIL.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the administering Secretaries, shall—

(1) establish a program that permits eligible persons to obtain prescription pharmaceuticals by mail in connection with medical care furnished to such persons under chapter 55 of title 10, United States Code; and

(2) conduct the program in two or more regions selected by the Secretary, each of which consists of two or more States.

(b) RETAIL PHARMACY NETWORK.—(1) Not later than 18 months after such date, the Secretary of Defense, in consultation with the administering Secretaries, shall carry out the demonstration project described in paragraph (2).

(2) Under the demonstration project, the Secretary shall enter into one or more contracts or otherwise provide for the supply of prescription pharmaceuticals to eligible persons through a network of local retail pharmacies. The Secretary shall carry out the demonstration project in a region (selected by the Secretary) consisting of two or more States.

(c) ELIGIBLE PERSONS.—A person eligible to obtain pharmaceuticals under the program under subsection (a) or the demonstration project under subsection (b) is any person living in a State covered by the program or project who—

(1) is entitled to medical care under a contract for medical care entered into by the Secretary of Defense under section 1079 or 1086 of title 10, United States Code; or

(2) is over 65 years of age and resides in an area (as determined by the Secretary) that is affected by the closure of a health care facility of the uniformed services as a result of the closure or realignment of the military installation at which such facility is located.

(d) PURCHASE FEES.—(1) The Secretary of Defense, in consultation with the administering Secretaries, shall determine for the program and the demonstration project—

(A) subject to paragraph (2), the pharmaceuticals that may be obtained by eligible persons under the program or the demonstration project; and

(B) an appropriate fee, charge, or copayment to be paid by such persons for such pharmaceuticals obtained under the program or demonstration project.

(2) The Secretary shall, to the maximum extent practicable, ensure that the pharmaceuticals obtained under the program and the project are generic pharmaceuticals. The Secretary may provide that name brand pharmaceuticals be obtained in such circumstances as the Secretary of Defense determines appropriate.

(e) REPORT.—Not later than 2 years after the establishment of the program under subsection (a) and the demonstration project under subsection (b), the Secretary of Defense shall submit to Congress a report on the following:

(1) In the case of the program, the results of the program, recommendations, if any, for revision of the program, and a plan (including a schedule) for implementing the program throughout the United States.

(2) In the case of the demonstration project, the results of the project and the recommendations of the Secretary with respect to the advisability of making the project permanent.

(f) DEFINITIONS.—In this section, the terms "uniformed services" and "administering Secretaries" have the meanings given those terms in section 1072 of title 10, United States Code.

SEC. 706. ANNUAL BENEFICIARY SURVEY.

The administering Secretaries referred to in section 1072 of title 10, United States

Code, shall conduct annually a formal survey of persons receiving health care under chapter 55 of such title in order to determine the following:

(1) The availability of health care services to such persons through the health care system provided for under that chapter, the types of services received, and the facilities in which the services were provided.

(2) The familiarity of such persons with the services available under that system and with the facilities in which such services are provided.

(3) The health of such persons.

(4) The level of satisfaction of such persons with that system and the quality of the health care provided through that system.

(5) Such others matters as the administering Secretaries determine appropriate.

SEC. 707. MAXIMUM ANNUAL AMOUNT FOR DEDUCTIBLES AND COPAYMENTS.

(a) REDUCED MAXIMUM ANNUAL AMOUNT.—Section 1086(b)(4) of title 10, United States Code, is amended by striking out "$10,000" and inserting in lieu thereof "$7,500".

(b) APPLICABILITY AFTER FISCAL YEAR 1992.—The amendment made by subsection (a) shall apply with respect to fiscal years beginning after September 30, 1992.

SEC. 708. CONTINUATION OF CHAMPUS COVERAGE FOR CERTAIN MEDICARE PARTICIPANTS.

(a) INCLUSION OF END STAGE RENAL DISEASE PATIENTS.—Section 1086(d)(2)(A) of title 10, United States Code, is amended by inserting before the semicolon the following: "or section 226A(a) of such Act (42 U.S.C. 426-1(a))".

(b) COVERAGE OF CARE PROVIDED SINCE SEPTEMBER 30, 1991.—The amendment made by subsection (a), and the amendment made by section 704(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401), shall apply with respect to health care benefits or services received after September 30, 1991, by a person described in subsection (d)(2) of section 1086 of title 10, United States Code, if such benefits or services would have been covered under a plan contracted for under such section 1086.

(c) CONFORMING AMENDMENTS.—(1) Section 704 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401) is amended by striking out subsection (c).

(2) Section 8097 of the Department of Defense Appropriations Act, 1992 (Public Law 102-172; 105 Stat. 1197), is repealed.

SEC. 709. HOME HEALTH SERVICES UNDER CHAMPUS.

(a) ELIGIBILITY.—Section 1079(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (15):

(2) by striking out the period at the end of paragraph (16) and inserting in lieu thereof "; or"; and

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

"(17) home health services and other services (including services described in paragraphs (1) through (16)) in connection with extraordinary physical or psychological conditions may be provided only through a program of individualized case management established by the Secretary of Defense and in a manner determined (under regulations prescribed by the Secretary) to be cost-effective and appropriate.".

(b) CONFORMING AMENDMENT.—Section 1077 of such title is amended—

(1) by adding at the end of subsection (a) the following new paragraph:

"(15) Home health services."; and

(2) in subsection (b), by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (a)(15), the following".

SEC. 710. STUDY ON RISK-SHARING CONTRACTS FOR HEALTH CARE.

Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall—

(1) carry out a study of the feasibility and advisability of entering into risk-sharing contracts with eligible organizations described in section 1876 of the Social Security Act (42 U.S.C. 1395mm) to furnish health care services to persons entitled to health care in a facility of a uniformed service under section 1074(b) or 1076(b) of title 10, United States Code;

(2) if the Secretary determines that entry into such contracts is feasible and advisable, develop a plan for the entry into such contracts in accordance with the Secretary's determinations under the study; and

(3) submit to Congress a report on the results of the study and on the plan.

SEC. 711. COMPREHENSIVE STUDY OF THE MILITARY MEDICAL CARE SYSTEM.

Section 733 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 1071 note) is amended—

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

"(3) A comprehensive review of the Federal employees health benefits program under chapter 89 of title 5, United States Code, in order to determine whether furnishing health care under a similar program to persons entitled to health care under chapter 55 of title 10, United States Code, would result in the effective provision of health care to such persons and would be cost effective."; and

(2) in subsection (d)—

(A) by redesignating paragraph (12) as paragraph (13); and

(B) by inserting after paragraph (11) the following new paragraph (12):

"(12) A discussion of the results of the review under subsection (b)(3) and the Secretary's recommendations of the basis of those results.".

SEC. 712. NATIONAL CLAIMS PROCESSING CENTER FOR CHAMPUS.

(a) REQUIREMENT.—(1) The Secretary of Defense, in consultation with the administering Secretaries, shall provide by contract for the operation of a claims processing center to be known as the "National Centralized Claims Processing System for CHAMPUS". The contract shall provide for the center to commence operations not later than 5 years after the date of the enactment of this Act.

(2) The Secretary shall use competitive procedures for entering into the contract under paragraph (1).

(b) CENTER ACTIVITIES.—The claims processing center shall—

(1) maintain in electronic and written form appropriate information on health care services provided to covered beneficiaries by or through third parties under CHAMPUS or any alternative CHAMPUS program or demonstration project, including information on—

(A) the services to which such beneficiaries are entitled or eligible under an insurance plan, medical service plan, or health plan under CHAMPUS;

(B) the insurers, medical services, or health plans that provide such services; and

(C) the services available to beneficiaries under each insurance plan, medical service plan, or health plan, and the payment required of the beneficiaries and the insurer, medical service, or health plan for such services under the plan;

(2) receive in electronic or written form claims submitted by insurers, medical services, and health plans for services provided to covered beneficiaries;

(3) process, adjudicate, and pay (by electronic or other means) such claims; and

(4) provide the information described in paragraphs (1) and (2) and information on the matters referred to in paragraph (3) by telephone or other electronic means to covered beneficiaries, insurers, medical services, and health plans.

(c) ADDITIONAL REQUIREMENT.—The Secretary shall ensure, to the maximum extent practicable, that claims submitted as described in subsection (b)(2) conform to the requirements applicable to claims submitted to the Secretary of Health and Human Services with respect to medical care provided under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

(d) IDENTIFICATION CARD.—The Secretary shall take appropriate actions to determine whether the use by covered beneficiaries of a standard identification card containing electronically readable information will enhance the capability of the claims processing center to carry out the matters set forth in subsection (b).

(e) DEFINITIONS.—In this section:

(1) The terms "administering Secretaries" and "covered beneficiary" have the meanings given such terms in paragraphs (3) and (5) of section 1072 of title 10, United States Code, respectively.

(2) The term "CHAMPUS" means the Civilian Health and Medical Program of the Uniformed Services, as defined in paragraph (4) of that section.

SEC. 713. ALTERNATIVE HEALTH CARE DELIVERY METHODOLOGIES.

(a) CONTINUATION OF HEALTH CARE REFORM INITIATIVES.—(1) During fiscal years 1993 through 1996, the Secretary of Defense shall continue to test a broad array of reform options for furnishing health care to persons who are eligible to receive health care under chapter 55 of title 10, United States Code.

(2) The health care reform options tested in accordance with paragraph (1) shall include CHAMPUS alternatives, the CHAMPUS Reform Initiative, catchment area management, coordinated care, and such other options as the Secretary of Defense considers appropriate.

(3) During fiscal year 1994, the Secretary shall conduct a study of the health care reform options tested as described in paragraph (1). The study shall compare the cost effectiveness of such options and the extent to which the persons who received health care under those options are satisfied with that health care. The Secretary shall report the results of the study to Congress.

(b) CONTINUATION OF CHAMPUS REFORM INITIATIVE IN HAWAII AND CALIFORNIA.—(1) The Secretary of Defense shall ensure that a replacement or successor contract for the CHAMPUS Reform Initiative contract applicable to California and Hawaii is awarded in sufficient time for the contractor to begin to provide health care in California and Hawaii under the replacement or successor contract not later than August 1, 1993.

(2) The Secretary shall use competitive procedures for awarding a replacement or successor contract under paragraph (1).

(3)(A) Not later than June 1, 1994, the Secretary of Defense shall provide by contract for a person outside the Federal Government to perform an evaluation of the conduct of

the CHAMPUS Reform Initiative in Hawaii and California. The evaluation shall cover each of the fiscal years during which the initiative is carried out in such States under the replacement or successor contract referred to in paragraph (1) and under the predecessor contracts. The evaluation shall include a comparison of the cost savings and claims experience resulting in each such fiscal year from carrying out the initiative in such States.

(B) Not later than 1 year after the date on which the contract for evaluation is entered into under subparagraph (A), the person making the evaluation shall submit to the Secretary of Defense and to Congress a report on the results of the evaluation.

(c) INCLUSION OF POSITIVE INCENTIVES FOR ENROLLMENT UNDER THE COORDINATED CARE PROGRAM.—(1) The Secretary of Defense shall modify the Policy Guidelines on the Department of Defense Coordinated Care Program to provide covered beneficiaries with additional positive incentives to enroll in the coordinated care program of the Department of Defense.

(2) The incentives may include—

(A) a reduction of the copayment and deductibles prescribed under sections 1079 and 1086 of title 10, United States Code, for covered beneficiaries who enroll in the coordinated care program;

(B) alternative cost-sharing requirements for certain types of care; and

(C) an expansion of the benefits provided under the coordinated care program beyond the benefits authorized under CHAMPUS.

(2) The modifications required under paragraph (1) shall permit health care demonstration projects in existence on the date of the enactment of this Act (including the CHAMPUS Reform Initiative, the catchment area management projects, the CHAMPUS select fiscal intermediary program in the Southeast Region, and the managed health care programs established in the Tidewater region of Virginia) and future managed care health care incentives undertaken by the Department of Defense to offer covered beneficiaries not enrolled in the coordinated care program the opportunity to use a preferred provider network of health care providers.

(3) In determining what level and types of positive incentives are likely to induce covered beneficiaries to enroll in the coordinated care program, the Secretary shall take into consideration the extent to which covered beneficiaries not enrolled in the program are permitted to choose health care providers without prior referral or approval.

(4) Subject to the availability of space and facilities and the capabilities of the medical or dental staff, the Secretary of Defense may not deny access to military treatment facilities to covered beneficiaries who do not enroll in the coordinated care program. However, the Secretary may establish reasonable admission preferences for covered beneficiaries enrolled in the program as an incentive to encourage enrollment.

(d) DEFINITIONS.—In this section:

(1) The term "CHAMPUS" has the meaning given the term "Civilian Health and Medical Program of the Uniformed Services", as defined in section 1072(4) of title 10, United States Code.

(2) The term "covered beneficiary" has the meaning given that term in section 1072(5) of such title.

(3) The term "CHAMPUS Reform Initiative" has the meaning given that term in section 702(d)(1) of the Department of Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note).

(4) The term "catchment area management" means the methodology provided for demonstration in accordance with section 731 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (10 U.S.C. 1092 note).

(5) The term "Policy Guidelines on the Department of Defense Coordinated Care Program" means the Policy Guidelines on the Department of Defense Coordinated Care Program that were issued by the Assistant Secretary of Defense for Health Affairs on January 8, 1992.

SEC. 714. MEDICAL AND DENTAL CARE FOR CERTAIN INCAPACITATED DEPENDENTS.

(a) EXCLUSION OF CERTAIN INCAPACITATED DEPENDENTS FROM CHAMPUS COVERAGE.—Section 1086(c) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "and 1072(2)(I)" after "section 1072(2)(E)"; and

(2) in paragraph (2), by inserting "or 1072(2)(I)" after "section 1072(E)".

(b) APPLICABILITY OF EXCLUSION.—Section 1072(2) of title 10, United States Code, is amended—

(1) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) an unmarried legitimate child, including an adopted child or stepchild, who—

"(i) has not passed his twenty-first birthday;

"(ii) has not passed his twenty-third birthday, is enrolled in a full-time course of study at an institution of higher learning approved by the administering Secretary and is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support; or

"(iii) is incapable of self-support because of a mental or physical incapacity that occurs while a dependent of a member or former member under clause (i) or (ii) and is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support;";

(2) by striking out "and" at the end of subparagraph (G);

(3) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof a semicolon and "and"; and

(4) by inserting after subparagraph (H) the following new subparagraph:

"(I) an unmarried legitimate child, including an adopted child or stepchild, who is incapable of self-support because of a mental or physical incapacity that did not exist while the child was a dependent of a member or former member under subparagraph (D)(i) or (D)(ii) and is, or was at the time of the member's or former member's death, dependent on him for over one-half of his support.".

SEC. 715. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074c the following new section:

"§ 1074d. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074c the following new item:

"1074d. Reproductive health services in medical facilities of the uniformed services outside the United States.".

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Defense Conversion Policy for the National Defense Technology and Industrial Base

SEC. 801. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE POLICIES AND PLANNING.

(a) POLICIES AND PLANS FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter 135:

"CHAPTER 135—NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE

"Subchapter	Sec.
"I. Policies and Planning	2261
"II. Dual-Use Technologies	2271
"III. Manufacturing Technology	2281
"IV. Miscellaneous Technology Base Policies and Programs	2291
"V. Definitions	2300

"SUBCHAPTER I—POLICIES AND PLANNING

"Sec.
"2261. Policy.
"2262. National Defense Technology and Industrial Base Council.
"2263. National defense technology and industrial base assessment.
"2264. National defense technology and industrial base plan.
"2265. National Defense Program for Analysis of the Technology and Industrial Base.

"§ 2261. Policy

"(a) POLICY OBJECTIVES FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—It is the policy of Congress that the national defense technology and industrial base be capable of meeting the following national security objectives:

"(1) Supplying and equipping the force structure of the armed forces that is necessary to achieve the objectives set forth in the national security strategy report submitted to Congress by the President pursuant to section 104 of the National Security Act of 1947 (50 U.S.C. 404a), the policy guidance of the Secretary of Defense provided pursuant to section 113(g) of this title, and the multiyear defense program submitted to Congress by the Secretary of Defense pursuant to section 114a of this title.

"(2) Sustaining production, maintenance, repair, and logistics for operations of various durations and intensity.

"(3) Maintaining advanced research and development activities to provide the armed forces with systems capable of ensuring tech-

nological superiority over potential adversaries.

"(4) Reconstituting within a reasonable period the capability to develop and produce supplies and equipment, including technologically advanced systems, in sufficient quantities to prepare fully for a major war, major national emergency, or major mobilization of the armed forces before the commencement of that war, national emergency, or mobilization.

"(b) POLICY OBJECTIVES RELATING TO DEFENSE CONVERSION.—It is the policy of Congress that the United States seek to achieve the national defense technology and industrial base objectives set forth in subsection (a) through enhanced opportunities for conversion of defense-dependent businesses and industrial and technology base sectors to dual-use capabilities.

"(c) CIVIL-MILITARY INTEGRATION POLICY.—It is the policy of Congress that the United States attain the national defense technology and industrial base objectives set forth in subsection (a) through acquisition policy reforms that have the following objectives:

"(1) Relying, to the maximum extent practicable, upon the commercial national defense technology and industrial base that is required to meet the national security needs of the United States.

"(2) Reducing the reliance of the Department of Defense on technology and industrial sectors that are economically dependent on Department of Defense business.

"(3) Reducing Federal Government barriers to the use of commercial products, processes, and standards.

"§ 2262. National Defense Technology and Industrial Base Council

"(a) ESTABLISHMENT.—There is a National Defense Technology and Industrial Base Council.

"(b) COMPOSITION.—The Council is composed of the following members:

"(1) The Secretary of Defense, who shall serve as Chairman.

"(2) The Secretary of Energy.

"(3) The Secretary of Commerce.

"(c) RESPONSIBILITIES.—The Council shall have the following responsibilities:

"(1) To provide overall policy guidance and direction to the military departments and the Defense Agencies, to ensure effective cooperation among departments and agencies of the Federal Government, and to provide advice and recommendations to the President, the Secretary of Defense, and the Secretary of Energy concerning—

"(A) the capabilities of the national defense technology and industrial base to meet the national security objectives of the United States;

"(B) programs for achieving the defense conversion objectives set forth in section 2261(b) of this title; and

"(C) changes in acquisition policy that strengthen the national defense technology and industrial base.

"(2) To prepare annually the assessment and plan required by sections 2263 and 2264 of this title, respectively.

"§ 2263. National defense technology and industrial base assessment

"(a) COMPREHENSIVE ASSESSMENT.—The National Defense Technology and Industrial Base Council shall prepare a comprehensive annual assessment of the capability of the national defense technology and industrial base to attain each of the objectives set forth in section 2261 of this title.

"(b) SECTOR CAPABILITY ANALYSIS.—(1) The annual assessment shall include a sector capability analysis composed of the following matters:

"(A) An analysis of the role of each sector in attaining each of the objectives set forth in section 2261 of this title.

"(B) An analysis of the current and projected capability of each sector to attain each such objective for each of the following periods:

"(i) The fiscal year during which the assessment is submitted to Congress pursuant to section 2264(1) of this title.

"(ii) The following fiscal year.

"(iii) The multiyear period covered by the multiyear defense program submitted under section 114a of this title during the fiscal year referred to in clause (i).

"(2) The analysis required by paragraph (1)(B) shall include, for each sector for each period described in paragraph (1)(B), an analysis of the present and projected capabilities of prime contractors, subcontractors, the Defense Industrial Reserve under section 2292 of this title, and departments and agencies of the Federal Government with respect to each of the following:

"(A) Research and development, including research and development regarding the critical technologies identified under subsection (f).

"(B) Application of critical technologies to the production of goods and the furnishing of services.

"(C) Test and evaluation.

"(D) Low rate production.

"(E) High volume production.

"(F) Repair and maintenance.

"(G) Design and prototyping.

"(H) Work force skills and capabilities, including improvements that build on the skill and experience of their work force.

"(c) FOREIGN DEPENDENCY CONSIDERATIONS.—In the preparation of the annual assessment the Council shall consider, for each sector, the following factors:

"(1) The availability of essential raw materials, special alloys, composite materials, components, subsystems, production equipment, facilities, special tooling, and production test equipment for—

"(A) the sustained production of systems fully capable of meeting the performance objectives established for those systems;

"(B) the uninterrupted maintenance and repair of such systems; and

"(C) the sustained operation of such systems.

"(2) The identification of items specified in paragraph (1) that are available only from sources outside the national defense technology and industrial base.

"(3)(A) The availability of alternatives for obtaining such items from within the national defense technology and industrial base if such items become unavailable from sources outside the national defense technology and industrial base.

"(B) An analysis of any military vulnerability that could result from the lack of reasonable alternatives.

"(4) The effects on the national defense technology and industrial base that result from foreign acquisition of firms in the United States.

"(d) FINANCIAL CONDITION ANALYSIS.—(1) The assessment shall include an analysis of the present and projected financial condition of each sector, for each period described in subsection (b)(1)(B).

"(2) In the analysis of the financial condition of each sector, the Council shall specifically consider the following matters:

"(A) Trends in the following:

"(i) Profitability.

"(ii) Levels of capital investment.

"(iii) Expenditures on research and development.

"(iv) Levels of debt.

"(B) The effects of actual and potential commercial sales.

"(C) The consequences of mergers, acquisitions, and takeovers.

"(D) The effects of Department of Defense financial policies, including the following:

"(i) Policies relating to progress payments or other financing by the Department of Defense.

"(ii) Policies relating to the return on contractor investment.

"(iii) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.

"(E) The effects of expenditures in the sector by departments and agencies of the Federal Government other than the Department of Defense and the Department of Energy (for national security programs).

"(F) The analysis required by subsection (e).

"(e) ANALYSIS OF IMPACT OF DEPARTMENT OF DEFENSE REDUCTIONS.—(1) The annual assessment shall include an analysis of the impact of the terminations and significant reductions of major research and development programs and procurement programs of the Department of Defense on the capability of each sector to attain each of the objectives set forth in section 2261 of this title.

"(2) The programs referred to in paragraph (1) are those programs in which a termination or significant reduction in expenditures—

"(A) has taken place in the fiscal year before the fiscal year in which the annual assessment is submitted to Congress pursuant to section 2264(1) of this title; or

"(B) is provided for—

"(i) in the budget submitted pursuant to section 1105(a) of title 31 in that fiscal year; and

"(ii) in the multiyear defense program submitted with such budget pursuant to section 114a of this title.

"(3) In this subsection, the term 'significant reduction', with respect to expenditures for a program for a fiscal year, means that the amount provided for that program for that fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program for that fiscal year is less than the amount provided for that program for the preceding fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program, respectively, for that preceding fiscal year by at least—

"(A) the greater of—

"(i) the amount equal to 10 percent of the amount provided for that preceding fiscal year; or

"(ii) $5,000,000; or

"(B) a lesser amount determined significant by the Secretary of Defense or the Council.

"(f) CRITICAL TECHNOLOGY ANALYSIS.—(1) The annual assessment shall include a critical technology analysis that identifies the product and process technologies that are most critical for attaining the technology and industrial base objectives set forth in section 2261 of this title. The number of technologies so identified may not exceed 20. The analysis shall be prepared in consultation with the Critical Technologies Institute.

"(2) For each technology, the analysis shall include the following:

"(A) The reasons for selection of that technology as a technology critical to the Department of Defense.

"(B) The potential dual-use applications of that technology.

"(C) The relationship between the activities of the Department of Defense and other Federal agencies in the development of that technology.

"(D) The potential contributions that the private sector can be expected to make from its own resources in connection with the development of civilian applications for such technology.

"(E) A comparison of the position of the United States to the positions of other nations in the development of that technology, including the potential contributions that other nations can make to meeting the needs of the United States for that technology.

"(g) SECTOR VIABILITY ANALYSIS.—(1) The annual assessment shall include an analysis, for each of the periods described in subsection (b)(1)(B), of the following matters:

"(A) The extent to which each sector is—

"(i) dependent on defense expenditures to ensure continued viability;

"(ii) dependent on a mix of defense and nondefense Federal Government expenditures to ensure continued viability;

"(iii) dependent on a mix of Federal Government expenditures and other Federal Government programs to ensure continued viability; and

"(iv) sufficiently integrated with the commercial marketplace to ensure continued viability regardless of the level of Federal Government expenditures in the sector.

"(B) The extent to which each sector is capable of—

"(i) ongoing production with a present capability for high volume production;

"(ii) maintenance of a production base that can be converted to high volume production within a reasonable period of time; or

"(iii) reconstitution of a production base that can reinstate high volume production within a reasonable period of time.

"(2) The analysis shall specifically identify any sectors and any entities within sectors that should be considered for inclusion in the Defense Industrial Reserve under section 2292 of this title.

"(3) In this section:

"(A) The term 'defense expenditure' means an expenditure by—

"(i) the Department of Defense; or

"(ii) the Department of Energy for a national security program.

"(B) The term 'continued viability' means the capability to attain the technology and industrial base objectives set forth in section 2261 of this title.

"(h) ISSUANCE.—The Secretary of Defense shall prescribe by regulation a schedule for the completion of the annual assessment that ensures sufficient time for the consideration of the assessment in the preparation of the annual national defense technology and industrial base plan required by section 2264 of this title.

"§ 2264. National defense technology and industrial base plan

"(a) IN GENERAL.—The National Defense Technology and Industrial Base Council shall prepare an annual plan for ensuring, to the maximum extent practicable, that the policies and programs of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government are planned, coordinated, funded, and implemented in a manner designed to attain each of the technology and industrial base objectives set forth in section 2261 of this title. The Council shall take into account the annual national defense technology and industrial base assessment prepared pursuant to section 2263 of this title in preparing the annual plan.

"(b) SECTOR VIABILITY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for each of the following:

"(1) Programs and policies of the Federal Government that are necessary to ensure the continued viability of each sector that is identified in the annual assessment as being economically dependent in whole or in part upon Federal Government programs or policies.

"(2) Programs and policies of the Federal Government that are necessary in each such sector—

"(A) to reduce each economic dependency of such sector on foreign sources that could create a military vulnerability; and

"(B) to provide for alternative sources in the event that the foreign sources become unavailable.

"(3) The composition and management of the Defense Industrial Reserve under section 2292 of this title.

"(c) MANUFACTURING TECHNOLOGY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for the following:

"(1) The National Defense Manufacturing Technology Program established under section 2281 of this title.

"(2) The support of manufacturing extension programs under section 2283 of this title.

"(3) Programs to enhance basic research in scientific disciplines relating to manufacturing technology through—

"(A) encouraging research in colleges and universities in the United States and in associated centers of excellence; and

"(B) establishing technology transfer mechanisms, and technology education and training mechanisms, that ensure that the results of such research are readily available to United States industry.

"(4) Programs for encouraging the use of computer-integrated manufacturing to improve manufacturing quality, reduce manufacturing costs, reduce production lead times, and improve maintenance.

"(5) Programs for enhancing Department of Defense use of concurrent engineering practices in the design and development of weapon systems.

"(6) Programs providing incentives for firms in the national defense technology and industrial base to use advanced manufacturing technology and processes and to invest in improved productivity.

"(7) Programs for encouraging research in colleges and universities and in other technology development and extension programs in the United States for the development of work systems that build on worker's skill and experience.

"(8) Programs for assisting in the transition to high performance work systems, including ongoing worker involvement in the evaluation, selection, and installation and operation of production technologies and associated organization or work.

"(d) CRITICAL TECHNOLOGIES GUIDANCE.—For each defense critical technology, the plan shall contain the following:

"(1) Specific guidance, including goals, milestones, and priorities, with respect to the development of the technology.

"(2) The specific funding requirements of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government for the development of the technology for the 5 fiscal years following the fiscal year in which the plan is submitted pursuant to subsection (1).

"(3) A designation of the lead organization within the Department of Defense or the Department of Energy to be responsible for the development of the technology.

"(4) A summary description of the lead organization's plan for the development of the technology, including the milestone goals.

"(e) INTEGRATED FINANCING GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to ensure that the financial policies of the Department of Defense and Department of Energy (for national security programs), including the policies identified in section 2263(d)(2)(D) of this title, are designed to meet the industrial and technology base policies set forth in section 2261 of this title.

"(f) CIVIL-MILITARY INTEGRATION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to encourage the effective integration of commercial products and processes into Federal Government acquisition practices with respect to the following:

"(1) Expanding the use of commercial specifications in place of Federal Government specifications.

"(2) Increasing the use of commercial manufacturing processes instead of processes specified by the Federal Government.

"(3) Reducing the extent of unique government regulatory requirements relating to accounting and acquisition.

"(4) Identifying and ensuring the effective application by the Department of Defense and the Department of Energy (for national security programs) of research, technologies, products, information, and practices developed by other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(5) Identifying effective mechanisms for transferring technology and related information, to the maximum extent practicable, from the Department of Defense and Department of Energy to other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(6) Ensuring, to the maximum extent practicable, that technology and related information are so transferred.

"(g) DEFENSE CONVERSION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for providing sectors and businesses at least partially dependent economically on national security expenditures with Federal Government assistance to convert from that dependence to economic viability without such dependence.

"(h) TECHNOLOGY AND INDUSTRIAL BASE WORK FORCE GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to enhance the skills and capabilities of the work force, including high performance, high quality, and high flexibility production, in the national defense technology and industrial base.

"(i) MAJOR PROGRAM ACQUISITION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for enhancing the effectiveness of the major defense acquisition program regulations prescribed pursuant to section 2439 of this title.

"(j) ACQUISITION REFORM GUIDANCE.—(1) The plan shall include any recommended legislation that the Council considers appropriate for eliminating any adverse effect of Federal law on the capability of the national

defense technology and industrial base to attain the objectives set forth in section 2261 of this title.

"(2) The plan shall provide specific guidance to ensure that maximum use is made of authority to waive regulations or conduct test programs in pursuit of such objectives.

"(k) FUNDING.—The plan shall ensure effective implementation of the guidance issued under this section by establishing funding priorities for each area of guidance identified under subsections (b) through (h) for each of the periods described in section 2263(b)(1)(B) of this title.

"(l) ISSUANCE.—(1) The Secretary of Defense shall provide the annual plan to the Secretaries of the military departments and the heads of the other elements of the Department of Defense not later than the date on which the Secretary provides such officials with the guidance required by section 113(g)(1) of this title. The Secretary of Energy and the Secretary of Commerce shall provide such guidance to appropriate officials within their respective departments.

"(2) The Secretary of Defense shall transmit to Congress, not later than March 31 of each year—

"(A) the plan prepared under this section, including any changes necessary to reflect the budget submitted by the President during that year under section 1105 of title 31; and

"(B) the national defense technology and industrial base assessment prepared pursuant to section 2263 of this title that pertains to such plan and budget.

"(3) The plan and assessment shall be submitted to Congress in classified and unclassified forms. Proprietary information that may be withheld from disclosure under section 552 of title 5 shall be provided only in the classified version.

"§ 2265. National Defense Program for Analysis of the Technology and Industrial Base

"(a) ESTABLISHMENT.—(1) The National Defense Technology and Industrial Base Council shall establish at an entity described in paragraph (3) a program to be known as the 'National Defense Program for Analysis of the Technology and Industrial Base'.

"(2) The Program shall be an element of the defense acquisition university structure established under section 1746 of this title.

"(3) As determined by the Chairman of the Council, the Program shall be administered by —

"(A) an existing federally funded research and development center;

"(B) a consortium of existing federally funded research and development centers and other nonprofit entities; or

"(C) another appropriate private sector research entity.

"(4) The Chairman shall ensure that there is appropriate consultation and coordination between the Program and the Critical Technologies Institute.

"(b) OVERSIGHT COMMITTEE.—The Program shall have an oversight committee composed of 3 members as follows:

"(1) The Under Secretary of Defense for Acquisition, or his designee, who shall serve as Chairman of the operating committee.

"(2) An official designated by the Secretary of Energy.

"(3) An official designated by the Secretary of Commerce.

"(c) MISSIONS.—The missions for the Program shall include, with respect to the national defense technology and industrial base, the following:

"(1) The assembly of timely and authoritative information.

"(2) Initiation of studies and analyses.

"(3) Provision of technical support and assistance to—

"(A) the Council in the preparation of the annual assessment required by section 2263 of this title and the annual plan required by section 2264 of this title;

"(B) the defense acquisition university structure and its elements; and

"(C) other departments and agencies of the Federal Government in accordance with guidance established by the Council.

"(4) Dissemination, through the National Technical Information Service of the Department of Commerce, of unclassified information and assessments for further dissemination within the Federal Government and to the private sector.".

(b) TECHNOLOGY AND INDUSTRIAL BASE PLANNING FOR MAJOR DEFENSE PROGRAMS.—(1) Chapter 144 of title 10, United States Code, is amended by inserting after section 2438 the following new section:

"§ 2439. Major programs: technology and industrial base plans

"(a) ACQUISITION PLAN REQUIREMENTS.—The Secretary of Defense shall prescribe regulations requiring consideration of the national defense technology and industrial base in the development and implementation of acquisition plans for each major defense acquisition program.

"(b) CONTENT OF ACQUISITION PLANS.—The acquisition plan for each major defense acquisition program shall include provisions for the following:

"(1) An analysis of the capabilities of the national defense technology and industrial base to develop, produce, maintain, and support such program, including consideration of the factors set forth in section 2263(c) of this title.

"(2) Consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the program.

"(3) The use of advanced manufacturing technology, processes, and systems during the research and development phase and the production phase of the program.

"(4) To the maximum extent practicable, the use of contract solicitations that encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life-cycle costs.

"(5) Encouragement of investment by United States domestic sources in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment, processes, and organization of work systems that build on workers' skill and experience, and work force skill development in the development of the contract objective; and

"(B) increased emphasis in source selections on the efficiency of production.

"(6) Expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense.

"(7) Elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under Department of Defense contracts.

"(8) Expanded use of commercial products as set forth in section 2325 of this title.".

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 2438 the following new item:

"2439. Major programs: technology and industrial base plans.".

(c) IMPLEMENTATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including milestones for actions, to ensure the timely and thorough collection of information, completion of assessments, and issuance of plans required by the provisions of subchapter I of chapter 135 of title 10, United States Code, as added by subsection (a).

(2)(A) The first annual assessment required by section 2263 of such title shall be completed not later than September 30, 1993.

(B) The first annual plan required by section 2264 of such title shall be completed not later than November 15, 1993.

(C) The Secretary may prescribe regulations authorizing the presentation of information in a preliminary form in the first annual assessment and the first annual plan to the extent that the necessary information cannot reasonably be collected, analyzed, or presented in accordance with section 2263 or 2264, respectively, of title 10, United States Code, by the dates specified in subparagraphs (A) and (B).

(3) The National Defense Technology and Industrial Base Council shall establish the National Defense Center for Analysis of the Technology and Industrial Base not later than 6 months after the date of the enactment of this Act. The Secretary of Defense shall ensure that a contract solicitation is issued and a contract is awarded in a timely manner to facilitate the establishment of the Center within the period set forth in the preceding sentence.

SEC. 802. DEFENSE DUAL-USE TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) DEFENSE DUAL-USE TECHNOLOGIES.—(1) Chapter 135 of title 10, United States Code (as added by section 801(a)), is amended by adding after subchapter II the following:

"SUBCHAPTER II—DUAL-USE TECHNOLOGIES

"Sec.

"2271. Defense dual-use critical technology partnerships.

"2272. Commercial-military integration partnerships.

"2273. Regional technology alliances assistance program.

"2274. Office for Foreign Defense Critical Technology Monitoring and Assessment.

"2275. Overseas foreign critical technology monitoring and assessment financial assistance program.

"2276. Encouragement of technology transfer.".

(2) Section 2523 of title 10, United States Code, (relating to defense dual-use critical technology partnerships) is—

(A) transferred to subchapter II of chapter 135 of such title (as added by paragraph (1));

(B) inserted following the table of sections; and

(C) redesignated as section 2271.

(3) Subchapter II of such chapter, as added by paragraph (1) and amended by paragraph (2), is further amended by inserting after section 2271 the following new section:

"§ 2272. Commercial-military integration partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense shall conduct a program providing for the establishment of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between the Department of Defense and enti-

ties referred to in section 2271(b) of this title in order to encourage and provide for research, development, and application of technologies to attain the national defense technology and industrial base objectives set forth in section 2261 of this title.

"(b) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, and enter into cooperative agreements and other transactions pursuant to section 2371 of this title in order to establish the partnerships.

"(2) The Secretary may not enter into a partnership under this section for a period longer than 5 years.

"(3) The Secretary may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section, subject to the limitations in subsection (c).

"(c) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Secretary under a partnership does not exceed maximum authorized percentage of the total cost of partnership activities.

"(2) The maximum authorized percentage of Federal Government funding referred to in paragraph (1) for each year of a partnership is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third year.

"(D) 20 percent in the fourth year.

"(E) 10 percent in the fifth year.

"(3)(A) The Secretary shall prescribe regulations to provide for consideration of in-kind contributions by non-Federal Government participants in a partnership for the purpose of determining the share of the partnership costs that has been or is being undertaken by such participants.

"(B) The regulations shall also ensure that the in-kind contributions of nonprofit institutions and small businesses are considered included, to the maximum extent practicable, in the non-Federal Government share of the cost of the partnership.

"(d) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(e) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the following:

"(1) The extent to which the program proposed to be conducted by the partnership advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program proposed to be conducted by the partnership.

"(3) The qualifications of the personnel proposed to participate in the partnership's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(5) The potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for the industrial and technology base.

"(6) The extent of the financial commitment of the eligible firms to the proposed partnership.

"(7) The likelihood that the partnership will develop technologies that are sufficiently viable in the commercial sector so that such technologies will be available to meet the future reconstitution requirements and other needs of the Department of Defense described in the annual national defense technology and industrial base plan prepared under section 2264 of this title.

"(8) The likelihood that, within 5 years after the establishment of the partnership (or a lesser period established by the Secretary), Federal Government funding of the partnership will not be necessary.

"(9) Such other criteria as the Secretary prescribes.

"(f) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense and the Under Secretary of Defense for Acquisition, the Director of Defense Research and Engineering shall perform the duties of the Secretary of Defense under this section.".

(4) Section 2524 of title 10, United States Code (relating to critical technology application centers) is—

(A) transferred to subchapter II of chapter 135, as added by paragraph (1) and amended by paragraphs (2) and (3);

(B) inserted at the end of that subchapter; and

(C) amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2273. Regional technology alliances assistance program";

(ii) by striking out "regional critical technology application centers" in subsection (a) and inserting in lieu thereof "regional technology alliances";

(iii) by striking out "regional critical technology application center" in subsection (b) and inserting in lieu thereof "regional technology alliance";

(iv) by striking out "critical technology application center" and "center" each time such terms appear and inserting in lieu thereof "regional technology alliance"; and

(v) by striking out "2523" in subsection (g) and inserting in lieu thereof "2271".

(5) Section 2525 of title 10, United States Code (relating to the Office for Foreign Defense Critical Technology Monitoring and Assessment), and section 2526 of such title (relating to the overseas foreign critical technology monitoring and assessment financial assistance programs) are—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (2) through (4);

(B) inserted at the end of that subchapter; and

(C) redesignated as sections 2274 and 2275, respectively.

(6) Subsection (a) of section 2274 of such title (as redesignated by paragraph (5)) is amended by inserting "Critical" after "Foreign Defense".

(7) Section 2363 of title 10, United States Code (relating to encouragement of technology transfer), is—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (1) through (5);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2276.

(b) FUNDING.—Of the amounts authorized to be appropriated under section 201—

(1) $100,000,000 shall be available for defense dual-use critical technology partnerships;

(2) $50,000,000 shall be available for commercial-military integration partnerships;

(3) $100,000,000 shall be available for defense regional technology alliances; and

(4) $2,000,000 shall be available for the overseas critical technology monitoring and assessment financial assistance program.

SEC. 803. ESTABLISHMENT OF OFFICE OF TECHNOLOGY TRANSITION.

(a) ESTABLISHMENT.—(1) Subchapter II of chapter 135 of title 10, United States Code (as added by section 802), is amended by adding at the end the following:

"§ 2277. Office of Technology Transition

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish within the Office of the Secretary of Defense an Office of Technology Transition.

"(b) PURPOSE.—The purpose of the Office shall be to ensure, to the maximum extent practicable, that technology developed for national security purposes is integrated into the private sector of the United States in order to enhance the national defense technology and industrial base.

"(c) SPECIFIC DUTIES.—The head of the Office shall ensure that the Office—

"(1) monitors all research and development activities that are carried out by or for the military departments and Defense Agencies, including research and development that is conducted by or for—

"(A) the Strategic Defense Initiative Organization;

"(B) the Advanced Research Projects Agency; and

"(C) the Defense Nuclear Agency;

"(2) identifies all such research and development activities that use technologies, or result in technological advancements, having potential nondefense commercial applications;

"(3) serves as a clearinghouse for, coordinates, and otherwise actively facilitates the transition of such technologies and technological advancements from the Department of Defense to the private sector;

"(4) conducts its activities in consultation and coordination with the Department of Energy; and

"(5) provides private firms with assistance to resolve problems associated with security clearances, proprietary rights, and other legal considerations involved in such a transition of technology.

"(d) REPORTING REQUIREMENT.—The Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives an annual report on the activities of the Office at the same time that the budget is submitted to Congress by the President pursuant to section 1105 of title 31. The report shall contain a discussion of the accomplishments of the Office during the fiscal year preceding the fiscal year in which the report is submitted.".

(2) The table of sections at the beginning of subchapter II of such chapter (as added by section 802) is amended by inserting after the item relating to section 2276 the following:

"2277. Office of Technology Transition.".

(b) SCHEDULE FOR ESTABLISHMENT.—The Office of Technology Transition shall commence operations within 180 days after the date of the enactment of this Act.

(c) REPORTING REQUIREMENTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the establishment of the Office of Technology Transition. The report shall contain a description of the organization of the Office, the staffing of the Office, and the activities undertaken by the Office.

(2) Notwithstanding section 2277(d) of title 10, United States Code (as added by subsection (a))—

(A) the first report under that section shall be submitted not later than 1 year after the date of the enactment of this Act; and

(B) no additional report is necessary under that section in the fiscal year in which such first report is submitted.

SEC. 804. DEFENSE DUAL-USE MANUFACTURING TECHNOLOGY PROGRAMS.

(a) NATIONAL DEFENSE MANUFACTURING TECHNOLOGY PROGRAM.—(1) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802 and 803, is further amended by adding after subchapter II the following new subchapter:

"SUBCHAPTER III—MANUFACTURING TECHNOLOGY

"Sec.
"2281. National Defense Manufacturing Technology Program.
"2282. Defense advanced manufacturing technology partnerships.
"2283. Manufacturing extension programs.

"§ 2281. National Defense Manufacturing Technology Program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish a National Defense Manufacturing Technology Program to—

"(1) provide centralized guidance and direction, including goals, milestones, and priorities, to the military departments and the Defense Agencies on all matters relating to manufacturing technology;

"(2) direct the development and implementation of Department of Defense plans, programs, projects, activities, and policies that promote the development and application of advanced technologies to manufacturing processes, tools, and equipment;

"(3) improve the manufacturing quality, productivity, technology, and practices of businesses and workers providing goods and services to the Department of Defense;

"(4) promote dual-use manufacturing processes;

"(5) disseminate to such businesses information concerning improved manufacturing improvement concepts, including information on such matters as best manufacturing practices, product data exchange specifications, computer-aided acquisition and logistics support, and rapid acquisition of manufactured parts;

"(6) sustain and enhance the skills and capabilities of the manufacturing work force;

"(7) promote high-performance work systems, with development and dissemination of production technologies that build upon the skills and capabilities of the work force, high levels of worker education and training, and work force participation in the evaluation, selection, and implementation of new production technologies; and

"(8) ensure appropriate coordination between the manufacturing technology programs and industrial preparedness programs of the Department of Defense and similar programs undertaken by other departments and agencies of the Federal Government or by the private sector.

"(b) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE PLAN.—The Secretary shall ensure that the program is developed and implemented in accordance with the manufacturing technology guidance set forth in the national defense technology and industrial base plan prepared under section 2264 of this title.

"(c) ANNUAL REVISIONS.—The Secretary shall revise the program not later than March 15 of each year. Each revision shall identify each manufacturing technology program, project, or activity of the Department of Defense and the amounts provided for each such program, project, and activity in the budget submitted by the President under section 1105 of title 31 for the fiscal year beginning in that year.

"(d) PROGRAM LIMITATION.—A manufacturing technology program, project, or activity of the Department of Defense may be conducted only to the extent provided for in the National Defense Manufacturing Technology Program. However, such a program, project, or activity may be conducted in excess of the limitation in the preceding sentence if it is designated by the Secretary of Defense as a higher priority matter.

"(e) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.".

(2) Section 203(d) of the National Defense Authorization Act for Fiscal Year 1992 and 1993 (Public Law 102-190; 105 Stat. 1315) is repealed.

(b) DEFENSE ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.—(1) Section 2518 of title 10, United States Code (relating to defense advanced manufacturing technology partnerships), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1);

(B) inserted at the end of that subchapter;

(C) redesignated as section 2282; and

(D) amended in subsection (d)(1) by striking out "section 2523(f)" and inserting in lieu thereof "section 2271(f)".

(2) Of the amounts made available pursuant to section 203(4), $25,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2282 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(c) MANUFACTURING TECHNOLOGY EXTENSION PROGRAMS.—(1) Section 2517 of title 10, United States Code (relating to manufacturing extension programs), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1) and amended by subsection (b);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2283.

(2) Of the amounts authorized to be appropriated under section 201, $100,000,000 shall be available for support of manufacturing technology extension programs under section 2283 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(d) DEFENSE MANUFACTURING ENGINEERING EDUCATION PROGRAM.—Of the amounts authorized to be appropriated under section 201, $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of title 10, United States Code.

(e) DEFENSE MANUFACTURING EXPERTS IN THE CLASSROOM PROGRAM.—(1)(A) Section 2197 of title 10, United States Code, is amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2197. Manufacturing experts in the classroom";

(ii) in subsection (a), by striking out "managers and" in the matter above paragraph (1); and

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

"(e) MANUFACTURING EXPERT DEFINED.—In this section, the term 'manufacturing expert' means manufacturing managers and workers having experience in the organization of production and education and training needs and other experts in manufacturing.".

(B) The table of sections at the beginning of chapter 111 of such title is amended by striking out the item relating to section 2197 and inserting in lieu thereof the following:

"2197. Manufacturing experts in the classroom.".

(2) Of the amounts authorized to be appropriated under section 201, $5,000,000 shall be available for the manufacturing experts in the classroom program under section 2197 of title 10, United States Code.

SEC. 805. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE DUAL-USE ASSISTANCE EXTENSION PROGRAMS.

(a) EXTENSION PROGRAMS.—Chapter 135 of title 10, United States Code, as added by section 801(a) and as amended by sections 802, 803, and 804, is further amended by adding at the end the following:

"SUBCHAPTER IV—MISCELLANEOUS TECHNOLOGY BASE POLICIES AND PROGRAMS

"Sec.
"2291. Defense dual-use assistance extension program.
"2292. Defense Industrial Reserve.

"§ 2291. Defense dual-use assistance extension program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Energy and the Secretary of Commerce, shall establish a program to achieve the national defense technology and industrial base objectives set forth in section 2261 of this title by providing support to entities referred to in subsection (b) for programs described in that subsection.

"(b) PROGRAMS SUPPORTED.—The Secretary may provide support under this section for programs sponsored by the Federal Government, regional entities, States, local governments, and private entities and nonprofit organizations that assist firms whose businesses and workers economically dependent on Department of Defense expenditures to acquire dual-use capabilities through the provision under those programs of the following services:

"(1) Assistance in converting from government-oriented management, production, training, business planning, and marketing practices to commercial practices.

"(2) Assistance in making improvements necessary for conversion to commercial markets and practices and in acquiring and using public and private sector resources, literature, and other information concerning—

"(A) research, development, and production processes and practices;

"(B) identification and development of technologies and products having the potential for defense and nondefense commercial applications;

"(C) marketing practices and opportunities;

"(D) identification of potential suppliers, partners, and subcontractors;

"(E) identification of opportunities for government support, including support through grants, contracts, partnerships and consortia;

"(F) enhancement of work force skills and capabilities, including development and introduction of high performance workplace systems, employee and participative management systems, workforce literacy programs, programs to encourage employee ownership, worker education and training, work force participation in the evaluation, selection, and implementation of new production technologies; and

"(G) trade and export assistance.

"(c) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, enter into cooperative agreements and other transactions pursuant to section 2371 of this title, and transfer funds to another department or agency of the Federal Government in carrying out this section.

"(2) Subject to subsection (d), the Secretary may provide a program referred to in subsection (b) with technical and other assistance.

"(d) FINANCIAL COMMITMENT OF NON-DEPARTMENT OF DEFENSE PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Department of Defense for a program under this section does not exceed the maximum authorized percentage of the combined amount provided by the Department of Defense and all other sources of funding for the program for any year.

"(2) The maximum authorized percentage of Department of Defense funding referred to in paragraph (1) for each year of Department of Defense assistance for a program under this section is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third and following years.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the selection of programs to receive assistance under this section.

"(f) SELECTION CRITERIA.—The criteria for the selection of a program to receive assistance under this section shall include the following:

"(1) The extent to which the program advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program.

"(3) The qualifications of the personnel proposed to participate in the program's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities that is sufficient to achieve the goals and objectives of the programs.

"(5) The potential effectiveness of the program in the conversion of businesses, including their work forces from capabilities that make the companies economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

"(6) The ability of the program to assist businesses, including their work forces, adversely affected by significant reductions in Department of Defense spending.

"(7) The extent of the financial commitment by sources other than the Department of Defense.

"(8) The extent to which the program would supplement, rather than duplicate, other available services.

"(9) The likelihood that, within 5 years after the commencement of assistance for a program under this section (or a lesser period established by the Secretary), Department of Defense assistance will not be necessary to sustain the program.

"(10) Such other criteria as the Secretary prescribes.

"(g) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.

"(h) TERMINATION OF AUTHORITY.—This section shall cease to be effective on September 30, 1997.".

(b) FUNDING.—(1) Of the amounts authorized to be appropriated under section 201, $200,000,000 shall be available for defense dual-use extension programs under section 2291 of title 10, United States Code (as added by subsection (a)), of which not less than $50,000,000 shall be made available to regional, State, and local government programs.

(2) Of funds authorized to be appropriated to the Department of Defense for fiscal year 1993 by this Act, the Secretary may transfer not more than $50,000,000 to the appropriations made available for the support of defense dual-use extension programs under such section 2291. Amounts so transferred shall be merged with, and be available for the same purpose and the same period as, the appropriations to which transferred. The authority to transfer funds under this paragraph is in addition to any other transfer authority provided for the Secretary of Defense under this or any other Act.

SEC. 806. ADDITIONAL STATUTORY REORGANIZATION.

(a) TECHNOLOGY AND INDUSTRIAL BASE AMENDMENTS.—(1)(A) Subchapter IV of chapter 135 of title 10, United States Code, as added by section 805, is amended by adding at the end, without text, the following new section:

"§ 2292. Defense Industrial Reserve".

(B) The text of section 2 of the Defense Industrial Reserve Act (50 U.S.C. 451) is—

(i) transferred to section 2292;

(ii) inserted below the section heading; and

(iii) amended by striking out "In enacting this Act, it" and inserting in lieu thereof the following: "(a) DECLARATION OF PURPOSE AND POLICY.—It".

(C) The text of section 4 of that Act (50 U.S.C. 453) is—

(i) transferred to section 2292;

(ii) inserted following subsection (a), as designated in the amendment made by subparagraph (B)(iii); and

(iii) amended—

(I) by striking out "(a) To execute the policy set forth in this Act," and inserting in lieu thereof the following: "(b) POWERS AND DUTIES OF THE SECRETARY OF DEFENSE.—(1) To execute the policy set forth in this section,";

(II) by striking out "(1) determine" and inserting in lieu thereof "(A) determine";

(III) by striking out "(2) designate" and inserting in lieu thereof "(B) designate";

(IV) by striking out "(3) establish" and inserting in lieu thereof "(C) establish";

(V) by striking out "(4) direct" and inserting in lieu thereof "(D) direct";

(VI) by striking out "(5) direct" and inserting in lieu thereof "(E) direct";

(VII) by striking out "(6) authorize" and inserting in lieu thereof "(F) authorize";

(VIII) by striking out "(7) authorize" and all that follows through "(B) such institution" and inserting in lieu thereof "(G) authorize and regulate the lending of any such property to any nonprofit educational institution or training school whenever (i) the program proposed by such institution or school for the use of such property will contribute materially to national defense, and (ii) such institution";

(IX) by striking out "(b)(1) The Secretary" and inserting in lieu thereof "(2)(A) The Secretary";

(X) by striking out "(A) storage" and inserting in lieu thereof "(i) storage";

(XI) by striking out "(B) repair" and inserting in lieu thereof "(ii) repair";

(XII) by striking out "(C) overhead" and inserting in lieu thereof "(iii) overhead"; and

(XIII) by striking out "(2) The Secretary of Defense shall prescribe regulations" and inserting in lieu thereof "(B) The Secretary of Defense shall prescribe regulations".

(D) The text of section 3 of that Act (50 U.S.C. 452) is—

(i) transferred to section 2292;

(ii) inserted following subsection (b), as designated in the amendment made by subparagraph (C)(iii)(I); and

(iii) amended by striking out "As used in this Act—" and inserting in lieu thereof "(c) DEFINITIONS.—In this section:".

(2)(A) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802, 803, 804, and 805 and by paragraph (1), is further amended by inserting at the end the following subchapter:

"SUBCHAPTER V—DEFINITIONS

"Sec.

"2300. Definitions.

"§ 2300. Definitions

"In this chapter:

"(1) The term 'national defense technology and industrial base' means the persons and organizations that are engaged in research, development, production, or maintenance activities the majority of which are conducted within the United States and Canada.

"(2) The term 'dual-use' with respect to products, services, standards, processes, or acquisition practices, means products, services, standards, processes, or acquisition practices, respectively, that are capable of meeting requirements for private sector commercial acquisitions as well as public sector acquisitions.

"(3) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(4) The terms 'technology and industrial base sector' and 'sector' mean a group of public or private persons and organizations that engage in, or are capable of engaging in, similar research, development, or production activities.

"(5) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(6) The term 'critical technology' means a technology that is—

"(A) a national critical technology; or

"(B) a defense critical technology.

"(7) The term 'national critical technology' means a technology that appears on the list of national critical technologies contained in the most recent biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)).

"(8) The term 'defense critical technology' means a technology that appears on the list of critical technologies contained, pursuant to subsection (f) of section 2263 of this title, in the most recent national defense technology and industrial base assessment submitted to Congress by the Secretary of Defense pursuant to section 2264(1) of this title.

"(9) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business of a parent company that is

incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.

Such term includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(10) The term 'manufacturing technology' means techniques and processes designed to improve manufacturing quality, productivity, and practices, including quality control, shop floor management, inventory management, and worker training, as well as manufacturing equipment and software.

"(11) The term 'manufacturing extension program' means a public or private, nonprofit program for the improvement of the quality, productivity, and performance of United States-based small manufacturing firms in the United States.

"(12) The term 'United States-based small manufacturing firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees; and

"(C) is an eligible firm.".

(B) Until the first annual national defense technology and industrial base assessment is submitted to Congress by the Secretary of Defense pursuant to section 2264(1) of title 10, United States Code (as added by section 801(a)), the reference to the most recent such assessment in section 2300(8) of such title (as added by subparagraph (A)) shall be deemed to refer to the most recent annual critical defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of such title as in effect on the date of the enactment of this Act.

(3) The annual national defense technology and industrial base assessment submitted to Congress pursuant to section 2264(1) of title 10, United States Code (as added by section 801(a)), during each year through 1995 shall include a specific assessment of the capability of the domestic textile and apparel industrial base of the United States to support national defense mobilization requirements. Each such assessment shall include the following:

(A) An identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by domestic industries.

(B) An assessment of the effect that any inadequacy in the textile and apparel industrial base would have on a mobilization.

(C) Recommendations for ways to alleviate any such inadequacy that the Secretary considers critical to national defense mobilization requirements.

(b) CONFORMING REORGANIZATION OF TITLE 10.—(1) Part IV of subtitle A of title 10, United States Code, is amended—

(A) by redesignating the chapter 135 (relating to encouragement of aviation) in effect on the day before date of the enactment of this Act as chapter 151; and

(B) by transferring such chapter, as so redesignated, within part IV of such subtitle so as to appear in sequence immediately before chapter 152.

(2) Such chapter is amended as follows:

(A) Sections 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, and 2279 are redesignated as 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, and 2539, respectively.

(B) Subsection (a) of section 2532, as so redesignated, is amended by striking out "section 2271" and inserting in lieu thereof "section 2531".

(C) Subsection (a) of section 2533, as so redesignated, is amended by striking out "section 2272" and inserting in lieu thereof "section 2532".

(D) Subsection (b) of section 2534, as so redesignated, is amended by striking out "sections 2272(f) and 2279 of this title but are not subject to section 2271(a)–(d) and 2272(a)" and inserting in lieu thereof "sections 2532(f) and 2539 of this title but are not subject to section 2531(a)–(d) and 2532(a)".

(c) TRANSFERS OF SECTIONS.—(1) Section 2504 of title 10, United States Code, is—

(A) transferred to subchapter II of chapter 138 of such title;

(B) inserted at the end of that subchapter;

(C) redesignated as 2350j; and

(D) amended in subsection (a)(1) by striking out "defense industrial base" and inserting in lieu thereof "defense technology and industrial base".

(2) Section 2505 of such title is—

(A) transferred to chapter 141 of such title, as amended by section 363 of this Act;

(B) inserted at the end of that chapter; and

(C) redesignated as section 2410d.

(3) Section 2507 of such title is—

(A) transferred to chapter 141 of such title, as amended by paragraph (2);

(B) inserted at the end of that chapter; and

(C) amended—

(i) by striking out subsection (c); and

(ii) by striking out the section heading and inserting in lieu thereof the following:

"§ 2410e. Miscellaneous limitations on the procurement of goods other than United States goods".

(4)(A) Section 2506 of such title is amended—

(i) in subsection (a)—

(I) by striking out "(a) Funds" and inserting in lieu thereof "(c) PROCUREMENT OF NON-AMERICAN GOODS GENERALLY.—(1) Funds";

(II) by striking out "(as defined in subsection (c))" in the matter above paragraph (1); and

(III) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively;

(ii) in subsection (b), by striking out "(b) Consideration of the matters referred to in paragraphs (1) through (6) of subsection (a)" and inserting in lieu thereof "(2) Consideration of the matters referred to in subparagraphs (A) through (F) of paragraph (1)"; and

(iii) in subsection (c)—

(I) by striking out "(c) In this section," and inserting in lieu thereof "(3) In this subsection,"; and

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

(B) The text of such section, as so amended, is transferred to section 2410e of title 10, United States Code, as added by paragraph (3), and is inserted following subsection (b) of that section.

(d) CONFORMING REPEALS.—(1) Section 2330 of title 10, United States Code, is repealed.

(2)(A) Part IV of subtitle A of such title is amended by striking out chapters 148, 149, and 150.

(B) The tables of chapters at the beginning of subtitle A of such title and part IV of such subtitle are amended by striking out the items relating to chapters 148, 149, and 150.

(3) The Defense Industrial Reserve Act (50 U.S.C. 450 et seq.) is repealed.

(e) TABLES OF SECTIONS.—(1) The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2330.

(2) The table of sections at the beginning of subchapter II of chapter 138 of such title is amended by adding at the end the following:

"2350j. Defense memoranda of understanding and related agreements.".

(3) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2363.

(4) The table of sections at the beginning of chapter 141 of such title, as amended by section 363 of this Act, is further amended by adding at the end the following:

"2410d. Offset policy: notification.

"2410e. Miscellaneous limitations on the procurement of goods other than United States goods.".

SEC. 807. SMALL BUSINESS INNOVATION RESEARCH PROGRAM IN THE DEPARTMENT OF DEFENSE.

(a) AMOUNTS AVAILABLE.—For each fiscal year after fiscal year 1993, funds authorized to be appropriated to a military department or a Defense Agency of the Department of Defense for research, development, test and evaluation shall be available for research activities and for research and development activities under the Small Business Innovation Research Program in amounts as follows:

(1) For fiscal year 1993, 1.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(2) For fiscal year 1994, 2 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(3) For fiscal year 1995, and each fiscal year thereafter, 2.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(b) LIMITATION ON PROGRAM AWARDS.—Amounts paid to a small business concern by the Department of Defense under the Small Business Innovation Research Program for a project—

(1) in phase I under the program may not exceed $100,000; and

(2) in phase II under the program may not exceed $750,000.

(c) COMMERCIAL APPLICATIONS STRATEGY.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Administrator of the Small Business Administration, shall develop and issue a strategy for effectuating the transition of successful projects under the Small Business Innovation Research Program from phase II under the program into phase III under the program.

(d) PROGRAM MANAGEMENT.—The Director of Defense Research and Engineering and the Director of the Office of Small and Disadvantaged Business Utilization of the Department of Defense shall be responsible for the participation of the military departments and Defense Agencies in the Small Business Innovation Research Program.

(e) EXTENSION OF PROGRAM.—Section 5 of Public Law 97-219 (15 U.S.C. 638 note) is amended—

(1) by striking out "Effective October 1, 1993, paragraphs" and inserting in lieu thereof "Paragraphs"; and

(2) by striking out "are repealed" and inserting in lieu thereof "shall cease to be effective with respect to departments and agencies of the Federal Government other than the Department of Defense on October 1, 1993, and are repealed effective October 1, 2000".

(f) DEFINITIONS.—In this section:

(1) The term "Small Business Innovation Research Program" means the Small Business Innovation Research Program carried out pursuant to paragraphs (4) through (7) of subsection (b) of section 9 of the Small Business Act (15 U.S.C. 638) and subsections (e) through (k) of such section.

(2) The term "extramural budget" has the meaning given that term in subsection (e)(1) of such section.

(3) The term "phase I", with respect to the Small Business Innovation Research Program, means the first phase described in subsection (e)(4)(A) of such section.

(4) The term "phase II", with respect to the Small Business Innovation Research Program, means the second phase described in subsection (e)(4)(B) of such section.

(5) The term "phase III", with respect to the Small Business Innovation Research Program, means the third phase described in subsection (e)(4)(C) of such section.

(g) EFFECTIVE DATE AND APPLICABILITY.—This section shall take effect on October 1, 1992.

SEC. 808. DUAL-USE DEFENSE CONVERSION PRIORITY.

During fiscal year 1993, the Secretary of Defense shall give priority in the allocation of funds under subchapters II, III, and IV of chapter 135 of title 10, United States Code (as added by sections 802 through 805) and the Small Business Innovation Research Program referred to in section 807, to the maximum extent practicable, to programs, projects, and activities that provide significant assistance for converting the capabilities of businesses that are economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

SEC. 809. STATUTORY CHARTER FOR THE ADVANCED RESEARCH PROJECTS AGENCY.

(a) STATUTORY CHARTER.—(1) Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following:

"§ 203. Advanced Research Projects Agency

"(a) IN GENERAL.—The Advanced Research Projects Agency is a Defense Agency.

"(b) DIRECTOR.—(1) The head of the agency is the Director.

"(2) The Director is appointed by the President, by and with the advice and consent of the Senate. The Secretary of Defense shall recommend persons for appointment to the position of Director.

"(3) Subject to the authority, direction, and control of the Secretary of Defense, the Director shall perform the functions and duties provided in subsection (d).

"(c) DEPUTY DIRECTOR.—(1) There is a Deputy Director of the agency who is appointed by the Director with the approval of the Secretary of Defense.

"(2) The Deputy Director shall perform such duties and exercise such authority as may be prescribed by the Director with the approval of the Secretary of Defense.

"(3) When there is a vacancy in the office of Director or in the absence or disability of the Director, the Deputy Director shall act as Director and perform the duties, and exercise the authority, of the Director until a successor is appointed or the absence or disability ceases.

"(d) FUNCTIONS AND DUTIES.—(1) The Advanced Research Projects Agency is the central research and development organization of the Department of Defense. It is a primary responsibility of the agency to maintain the technological superiority of the United States over the potential adversaries of the United States.

"(2) The agency shall—

"(A) together with United States industry, Federal laboratories, and colleges and universities, pursue—

"(i) imaginative and innovative research and development projects having significant potential for both military and commercial applications; and

"(ii) imaginative and innovative research and development projects having significant potential solely for military applications;

"(B) support and stimulate a national technology base that—

"(i) serves both civilian and military purposes through enhanced technology sharing and otherwise; and

"(ii) by so serving both purposes, increases the productivity of both the civilian and military sectors;

"(C) manage and direct the conduct of basic and applied research and development that exploits scientific breakthroughs and demonstrates the feasibility of revolutionary approaches for improved cost and performance of advanced technology having future military applications, including advanced technology also having future civilian applications; and

"(D) stimulate increased emphasis on prototyping in defense systems and subsystems—

"(i) by conducting prototype projects embodying technology that might be incorporated in joint programs, programs in support of deployed forces, or selected programs of the military departments; and

"(ii) on request of the Secretary of a military department, by assisting that military department in any prototyping program of the military department.

"(3) The agency may, when requested and supported by a department or agency of the Federal Government not primarily involved in the performance of national security functions, manage and direct the conduct of basic and applied research and development of any other advanced technology that can be applied to increase the capability of that department or agency to attain mission objectives of the department or agency.

"(e) OTHER DUTIES.—The agency shall perform any additional duties that the Secretary of Defense assigns.".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by inserting at the end the following:

"203. Advanced Research Projects Agency.".

(b) RELATED AND OTHER DEFENSE RESEARCH AMENDMENTS.—(1)(A) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(B) Section 5316 of such title is amended by striking out the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(2)(A) Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Director of Defense Research and Engineering, Department of Defense.".

(B) Section 5315 of such title is amended by striking out the following:

"Director of Defense Research and Engineering.".

(3) Section 101(44)(B) of title 10, United States Code, is amended by inserting "by law or" after "designated".

(4) Section 2371(a) of such title is amended by striking out "Defense Advanced Research Projects Agency" and inserting in lieu thereof "Advanced Research Projects Agency".

(c) REFERENCE IN OTHER LAW.—Any reference in any other law to the Defense Advanced Research Projects Agency shall be deemed to refer to the Advanced Research Projects Agency.

SEC. 810. INDUSTRIAL DIVERSIFICATION PLANNING FOR DEFENSE CONTRACTORS.

(a) INCENTIVES.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations to encourage defense contractors to engage in industrial diversification planning.

(2) Such regulations shall include—

(A) treatment of industrial diversification planning expenditures as allowable costs under Department of Defense contracts,

(B) treatment of industrial diversification research and development activities as permissible independent research and development expenditures, and

(C) such other incentives as the Secretary of Defense deems appropriate to encourage defense contractors to engage in industrial diversification planning.

(b) DEFINITION.—For purposes of this section, the term "industrial diversification" means conversion from government-oriented management, production, training, and marketing practices to practices that are compatible with the commercial marketplace.

SEC. 810A. CLARIFICATION OF PARTICIPANTS IN DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.

Section 2271(b) of title 10, United States Code (as redesignated by section 802(a)(2)), is amended by inserting "government-owned and operated industrial facilities," after "Federal laboratory or laboratories".

Subtitle B—Acquisition Assistance Programs

SEC. 811. SMALL BUSINESS ADMINISTRATION CERTIFICATE OF COMPETENCY PROGRAM.

Section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) is amended by striking out the sentence following subparagraph (C) and inserting in lieu thereof the following:

"In the case of a contract entered into pursuant to the provisions of chapter 137 of title 10, United States Code, other than pursuant to simplified procedures referred to in section 2304(g) of such title, the Government procurement officer entering into the contract is not required to refer a determination of nonresponsibility made by that officer to the Administration unless the small business concern requests a determination of its responsibility, and the issuance of a certificate of responsibility, by the Administration. The solicitation for the contract shall contain a notice of the right of a small business concern to request the Administration to make a determination of its responsibility. For the purposes of that contract, the Administration is not required to process a request for certification of responsibility of a small business concern that is not submitted by that small business concern.".

SEC. 812. TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

(a) EXTENSION OF PROGRAM.—Subsection (e) of section 834 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (15 U.S.C. 637 note) is amended by striking out "September 30, 1993" in the second sentence and inserting in lieu thereof "September 30, 1994".

(b) FISCAL YEAR 1994 PARTICIPANTS.—Such section is amended—

(1) by redesignating subsection (g) as subsection (h); and

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

"(g) FISCAL YEAR 1994 PARTICIPANTS.—Only those contracting activities and contractors who negotiated subcontracting plans under

demonstration projects conducted under the test program before October 1, 1993, may participate in demonstration projects conducted under the test program in fiscal year 1994.".

SEC. 813. EXTENSION OF TEST PROGRAM OF CONTRACTING FOR PRINTING-RELATED SERVICES FOR THE DEPARTMENT OF DEFENSE.

(a) EXTENSION OF AUTHORITY.—Section 843(e) of the National Defense Authorization Act, Fiscal Year 1989 (44 U.S.C. 502 note) is amended by striking out "October 1, 1993" and inserting in lieu thereof "October 1, 2000".

(b) SECTION HEADING.—The heading of section 843 of such Act is amended to read as follows:

"SEC. 843. CONTRACT GOAL FOR DISADVANTAGED SMALL BUSINESSES IN PRINTING-RELATED SERVICES.".

SEC. 814. CONTRACT GOAL FOR DISADVANTAGED SMALL BUSINESSES AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.

(a) EXTENSION OF REQUIREMENT.—Section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note) is amended—

(1) in subsection (a), by striking out "and 1993" and inserting in lieu thereof "1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000"; and

(2) by striking out subsection (h).

(b) ACTIONS TO ATTAIN GOAL.—Subsection (e) of such section is amended—

(1) in the matter above paragraph (1), by striking out "subsection (a)—" and inserting in lieu thereof "subsection (a):";

(2) in paragraph (1), by striking out the period at the end and inserting in lieu thereof the following: "and shall actively monitor and assess the progress of the military departments, Defense Agencies, and prime contractors of the Department of Defense in attaining such goal. In making the assessment, the Secretary shall evaluate the extent to which use of the authority provided in paragraphs (2) and (3) and compliance with the requirement in paragraph (4) is effective for facilitating the attainment of the goal."; and

(3) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

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

"(B) Under procedures prescribed by the Secretary of Defense, a person may request the Secretary to determine whether the use of small disadvantaged business set asides by a contracting activity of the Department of Defense has caused a particular industry category to bear a disproportionate share of the progress made toward attainment of the goal established for that contracting activity for the purposes of this section. Upon making a determination that there has been that result, the Secretary shall take appropriate actions to limit the contracting activity's use of set asides in awarding contracts in that particular industry category.".

(c) CONTINUED ACCESS TO BUSINESS OPPORTUNITIES.—(1) Notwithstanding the regulations implementing section 806 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (10 U.S.C. 2301 note), a contract to furnish products or services to the Department of Defense shall be entered into in accordance with the requirements and the authority provided in section 1207(e) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note) if—

(A) there is a reasonable expectation of receiving offers from 2 or more eligible small business concerns that have the capability to perform the contract; and

(B) on the date of the issuance of the solicitation for such contract, a graduate of the minority small business and capital ownership development program authorized under section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)) is furnishing the same (or substantially similar) products or services to the Department of Defense under a contract awarded pursuant to section 8(a) of that Act (15 U.S.C. 637(a)).

(2) The amendment made by paragraph (1) shall apply with respect to solicitations for contracts that are issued on or after the date 90 days after the date of the enactment of this Act.

(d) SECTION HEADING.—The heading for such section is amended to read as follows:

"SEC. 1207. CONTRACT GOAL FOR DISADVANTAGED SMALL BUSINESSES AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.".

(e) FUNDING.—Of the amounts authorized to be appropriated for fiscal year 1993 pursuant to title II of this Act, $15,000,000 shall be available for such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 1207(c)(3) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note).

SEC. 815. PILOT MENTOR-PROTEGE PROGRAM.

(a) FUNDING.—Of the amounts authorized to be appropriated for fiscal year 1993 pursuant to title I of this Act, $55,000,000 shall be available for the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note).

(b) MAJOR DEFENSE ACQUISITION PROGRAMS.—Of the amount provided in subsection (a), $25,000,000 shall be available for the direct reimbursement of developmental assistance costs incurred by mentor firms under major defense acquisition programs (as defined in section 2430 of title 10, United States Code) in the participation of such firms in the pilot Mentor-Protege Program.

(c) REGULATIONS.—(1) Congress finds that the Secretary of Defense—

(A) has not published the Department of Defense policy for the pilot Mentor-Protege Program as required by the amendment made to section 831(k) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) by section 814(b)(4) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1425); and

(B) has not prescribed regulations for the reimbursement of the costs a mentor firm may incur under section 831(g)(2) of that Act.

(2) Congress expects the Secretary of Defense to publish the policy and prescribe the regulations.

(3) Within 15 days after the date of the enactment of this Act, the Secretary shall publish in the Department of Defense Supplement to the Federal Acquisition Regulation the Department of Defense policy for the pilot Mentor-Protege Program and the regulations, directives, and administrative guidance pertaining to such program as such policy, regulations, directives, and administrative guidance existed on December 6, 1991. Proposed modifications to that policy and any amendments of the matters published pursuant to the preceding sentence that are proposed in order to implement any of the amendments made by this section shall be published for public comment within 60 days after the date of the enactment of this Act and shall be published in final form within 120 days after such date.

(d) DETERMINATIONS OF ELIGIBILITY.—Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended by adding at the end the following new subsections:

"(o) ELIGIBILITY OF PROTEGE FIRMS FOR CERTAIN ASSISTANCE.—Notwithstanding any other provision of law, the Small Business Administration may not determine a disadvantaged 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.

"(p) LIMITATION ON DUPLICATIVE REVIEW.—Notwithstanding any other provision of law, 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.".

(e) STATUS DETERMINATIONS.—Section 831(c)(3) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended by striking out the second sentence and all that follows through "Administration" in the third sentence and inserting in lieu thereof the following: "The Secretary of Defense shall determine the status of such business concern as a disadvantaged small business concern pursuant to regulations prescribed by the Secretary. If at any time the business concern is determined by the Secretary".

(f) NONAFFILIATION TREATMENT.—Subsection (h) of section 831 the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is repealed.

(g) RETROACTIVE EFFECTIVE DATE.—The amendments made by subsections (d), (e), and (f) shall take effect as of November 5, 1990, and shall apply as if executed immediately after section 831 of the National Defense Authorization Act for Fiscal Year 1991 took effect.

SEC. 816. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) AVAILABILITY OF AUTHORIZED APPROPRIATIONS.—Of the amounts authorized to be appropriated pursuant to section 301(5), $9,000,000 shall be available for fiscal year 1993 for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts provided for in subsection (a), $600,000 shall be available for fiscal year 1993 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow for effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

Subtitle C—Miscellaneous Acquisition Policy Matters

SEC. 821. EXTENSION OF PROGRAM FOR USE OF MASTER AGREEMENTS FOR PROCUREMENT OF ADVISORY AND ASSISTANCE SERVICES.

Section 2304(j) of title 10, United States Code, is amended in paragraph (5) by striking

out "at the end of" and all that follows and inserting in lieu thereof "on September 30, 1994.".

SEC. 822. MAJOR DEFENSE ACQUISITION PROGRAM REPORTS.

(a) SELECTED ACQUISITION REPORTS FOR CERTAIN PROGRAMS.—Section 127(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (101 Stat. 1044; 10 U.S.C. 2432 note) is amended by striking out "at the end of each fiscal year quarter" and inserting in lieu thereof "in accordance with the provisions of subsection (b) of section 2432 of title 10, United States Code,".

(b) MINIMUM AMOUNT CRITERIA FOR MAJOR DEFENSE ACQUISITION PROGRAMS.—Section 2430 of title 10, United States Code, is amended—

(1) by designating the existing text as subsection (a);

(2) in paragraph (2) of that subsection, as so designated—

(A) by striking out "$200,000,000" and inserting in lieu thereof "$300,000,000";

(B) by striking out "1980" both places it appears and inserting in lieu thereof "1990"; and

(C) by striking out "$1,000,000,000" and inserting in lieu thereof "$1,800,000,000"; and

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

"(b) The Secretary of Defense may adjust the amounts (and the base fiscal year) provided in subsection (a)(2) on the basis of Department of Defense escalation rates. An adjustment under this subsection shall be effective after the Secretary transmits a written notification of the adjustment to the Committees on Armed Services of the Senate and House of Representatives.".

(c) SELECTED ACQUISITION REPORTS.—(1) Subsection (a) of section 2432 of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) The term 'major contract', with respect to a major defense acquisition program, means each of the six largest prime, associate, or Government-furnished equipment contracts under the program that is in excess of $40,000,000.".

(2) Subsection (b) of such section is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) The Secretary of Defense may waive the requirement for submission of Selected Acquisition Reports for a program for a fiscal year if—

"(i) the program has not entered full scale development or engineering and manufacturing development;

"(ii) a reasonable cost estimate has not been established for such program; and

"(iii) the system configuration for such program is not well defined.

"(B) The Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a written notification of each waiver under subparagraph (A) for a program for a fiscal year not later than 60 days before the President submits the budget to Congress pursuant to section 1105 of title 31 in that fiscal year.".

(3) Subsection (c)(2) of such section is amended by striking out the last sentence and inserting in lieu thereof the following: "The Secretary of Defense may approve changes in the content of the Selected Acquisition Report if the Secretary provides such Committees with written notification of such changes at least 60 days before the date of the report that incorporates the changes.".

(4) Subsection (c)(3)(C) of such section is amended by striking out clauses (i) through (vii) and inserting in lieu thereof the following:

"(i) Specification of the baseline production rate, defined as the rate or rates to be achieved at full rate production as assumed in the decision to proceed with production (commonly referred to as the 'Milestone III' decision).

"(ii) Specification, for each of the two budget years of production under the program, of the minimum sustaining production rate, defined as the production rate for each budget year that is necessary to keep production lines open while maintaining a base of responsive vendors and suppliers.

"(iii) Specification, for each of the two budget years of production under the program, of the maximum production rate, defined as the production rate for each budget year that is attainable with the facilities and tooling programmed to be available for procurement under the program or otherwise to be provided with Government funds.

"(iv) Specification, for each of the two budget years of production, of the current production rate, defined as the production rate for each budget year for which the report is submitted, based on the budget submitted to Congress pursuant to section 1105 of title 31.

"(v) Estimation of any cost variance—

"(I) between the budget year procurement unit costs at the production rate specified pursuant to clause (iv) and the budget year procurement unit costs at the minimum sustaining production rate specified pursuant to clause (ii); and

"(II) between the total remaining procurement cost at the production rate specified pursuant to clause (iv) and the total remaining procurement cost at the minimum sustaining production rate specified pursuant to clause (ii).

"(vi) Estimation of any cost variance—

"(I) between the budget year procurement unit costs at the current production rate specified pursuant to clause (iv) and the budget year procurement unit costs at the maximum production rate specified pursuant to clause (iii); and

"(II) between the total remaining procurement cost at the current production rate specified pursuant to clause (iv) and the total remaining procurement cost at the maximum production rate specified pursuant to clause (iii).

"(vii) Estimation of quantity variance—

"(I) between the budget year quantities assumed in the minimum sustaining production rate specified pursuant to clause (ii) and the current production rate specified pursuant to clause (iv); and

"(II) between the budget year quantities assumed in the maximum production rate specified pursuant to clause (iii) and the current production rate specified pursuant to clause (iv).".

(d) UNIT COST REPORTS.—(1) Subsection (a)(4)(C) of section 2433 of title 10, United States Code, is amended by striking out "(e)(2)(B)(ii)" and inserting in lieu thereof "(e)(2)(B)".

(2) Subsection (b) of such section is amended by striking out "7 days (excluding Saturdays, Sundays, and legal public holidays)" in the second sentence and inserting in lieu thereof "30 calendar days".

(3) Paragraphs (1)(A), (1)(B), (2)(A), and (2)(B) of subsection (c) of such section are amended by striking out "more than" each place it appears and inserting in lieu thereof "at least".

(4) Subsection (d) of such section is amended—

(A) by striking out "more than" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "at least"; and

(B) in paragraph (3) of such subsection—

(i) by striking out "more than" each place it appears and inserting in lieu thereof "at least"; and

(ii) by striking out "program within 30 days" and all that follows and inserting in lieu thereof "program. In the case of a determination based on a quarterly report submitted in accordance with subsection (b), the Secretary shall submit the notification to Congress within 45 days after the end of the quarter. In the case of a determination based on a report submitted in accordance with subsection (c), the Secretary shall submit the notification to Congress within 45 days after the date of that report. The Secretary shall include in the notification the date on which the determination was made.".

(5) Subsection (e) of such section is amended—

(A) in paragraph (1), by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) Except as provided in subparagraph (B), whenever the Secretary concerned determines under subsection (d) that the program acquisition unit cost or the current procurement unit cost of a major defense acquisition program has increased by at least 15 percent, a Selected Acquisition Report shall be submitted to Congress for the first fiscal-year quarter ending on or after the date of the determination or for the fiscal-year quarter which immediately precedes the first fiscal-year quarter ending on or after that date. The report shall include the information described in section 2432(e) of this title and shall be submitted in accordance with section 2432(f) of this title.";

(B) in paragraph (2), by striking out "current program acquisition cost" and inserting in lieu thereof "program acquisition unit cost or current procurement unit cost"; and

(C) in paragraph (3), by striking out "more than" each place it appears and inserting in lieu thereof "at least".

SEC. 823. REVISION OF RULES CONCERNING SEVERANCE PAY FOR FOREIGN NATIONALS.

(a) WAIVER AUTHORITY.—Section 2324(e) of title 10, United States Code, is amended—

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

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

"(3)(A) Pursuant to regulations prescribed by the Secretary and subject to the availability of appropriations, the head of an agency awarding a covered contract may waive the application of the provisions of paragraphs (1)(M) and (1)(N) to that contract if the head of the agency determines that—

"(i) the application of such provisions to the contract would adversely affect the continuation of a program, project, or activity that provides significant support services for members of the armed forces stationed or deployed outside the United States;

"(ii) the contractor has taken (or has established plans to take) appropriate actions within the contractor's control to minimize the amount and number of incidents of the payment of severance pay by the contractor to employees under the contract who are foreign nationals; and

"(iii) the payment of severance pay is necessary in order to comply with a law that is generally applicable to a significant number of businesses in the country in which the foreign national receiving the payment performed services under the contract or is nec-

essary to comply with a collective bargaining agreement.

"(B) The head of an agency shall include in the solicitation for a covered contract a statement regarding whether a waiver has been granted under subparagraph (A) in the case of that contract.

"(C) Subparagraph (A) does not apply with respect to a contractor that is owned or controlled directly or indirectly by citizens or nationals of a foreign country, as determined by the head of the agency awarding the contract to such contractor. The head of the agency shall make such determination in accordance with the criteria and policy guidance referred to in paragraph (2)(C).".

(b) APPLICABILITY.—(1) The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to covered contracts (as defined in section 2324 of title 10, United States Code) that are entered into on or after that date.

(2) Notwithstanding paragraph (1), if the applicable head of an agency makes the determinations referred to in paragraph (3)(A) of section 2324(e) of title 10, United States Code (as amended by subsection (a)), with respect to a covered contract that was in force during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act, the provisions of paragraphs (1)(M) and (1)(N) of such section shall not apply to the costs, if any, incurred by the contractor for the payment under the contract of severance pay to foreign national employees whose employment under the contract was terminated during such period.

(c) REPORT ON USE OF WAIVER AUTHORITY.—Not later than March 15 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the use of the waiver authority provided in section 2324(e)(3)(A) of title 10, United States Code (as added by subsection (a)), during the preceding year.

SEC. 824. PROHIBITION ON PURCHASE OF UNITED STATES DEFENSE CONTRACTORS BY ENTITIES CONTROLLED BY FOREIGN GOVERNMENTS.

(a) IN GENERAL.—No entity controlled by a foreign government may purchase or otherwise acquire a company engaged in interstate commerce in the United States that—

(1) is performing a Department of Defense contract, or a Department of Energy contract under a national security program, that cannot be performed satisfactorily unless that company is given access to information in a proscribed category of information; or

(2) during the previous fiscal year, was awarded—

(A) Department of Defense prime contracts in an aggregate amount in excess of $500,000,000; or

(B) Department of Energy prime contracts under national security programs in an aggregate amount in excess of $500,000,000.

(b) INAPPLICABILITY TO CERTAIN CASES.—The limitation in subsection (a) shall not apply to a purchase or other acquisition if—

(1) the Secretary of Defense determines that the purchase or other acquisition is necessary in order to ensure the availability of critical supplies or services that would not otherwise be reasonably available to the Department of Defense;

(2) the Secretary of Defense determines that the purchase or other acquisition is not detrimental to the national security interests of the United States; and

(3) the purchase or other acquisition is not suspended or prohibited pursuant to section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170).

(c) DEFINITIONS.—In this section:

(1) The term "entity controlled by a foreign government" includes—

(A) any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government, and

(B) any individual acting on behalf of a foreign government,

as determined by the President.

(2) The term "proscribed category of information" means a category of information that—

(A) with respect to Department of Defense contracts—

(i) includes special access information;

(ii) is determined by the Secretary of Defense to include information the disclosure of which to an entity controlled by a foreign government is not in the national security interests of the United States; and

(iii) is defined in regulations prescribed by the Secretary of Defense for the purposes of this section; and

(B) with respect to Department of Energy contracts—

(i) is determined by the Secretary of Energy to include information described in subparagraph (A)(ii); and

(ii) is defined in regulations prescribed by the Secretary of Energy for the purposes of this section.

SEC. 825. PROHIBITION ON AWARD OF CERTAIN DEPARTMENT OF DEFENSE AND DEPARTMENT OF ENERGY CONTRACTS TO COMPANIES OWNED BY AN ENTITY CONTROLLED BY A FOREIGN GOVERNMENT.

(a) IN GENERAL.—A Department of Defense contract or Department of Energy contract under a national security program may not be awarded to a company owned by an entity controlled by a foreign government if it is necessary for that company to be given access to information in a proscribed category of information in order to perform the contract.

(b) WAIVER AUTHORITY.—The Secretary may waive the application of subsection (a) to a contract award if the Secretary determines that the waiver is essential to the national security interests of the United States.

(c) DEFINITIONS.—In this section:

(1) The term "entity controlled by a foreign government" includes—

(A) any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government, and

(B) any individual acting on behalf of a foreign government,

as determined by the Secretary concerned.

(2) The term "proscribed category of information" means a category of information that—

(A) with respect to Department of Defense contracts—

(i) includes special access information;

(ii) is determined by the Secretary of Defense to include information the disclosure of which to an entity controlled by a foreign government is not in the national security interests of the United States; and

(iii) is defined in regulations prescribed by the Secretary of Defense for the purposes of this section; and

(B) with respect to Department of Energy contracts—

(i) is determined by the Secretary of Energy to include information described in subparagraph (A)(ii); and

(ii) is defined in regulations prescribed by the Secretary of Energy for the purposes of this section.

(3) The term "Secretary concerned" means—

(A) the Secretary of Defense, with respect to Department of Defense contracts; and

(B) the Secretary of Energy, with respect to Department of Energy contracts.

SEC. 826. DEPARTMENT OF DEFENSE INVENTION DISPOSITION POLICY.

(a) POLICY.—To the extent permitted by law, the policy of the Department of Defense with respect to the disposition of any invention usable in the manufacture of products that is made in the performance of a federally funded research and development contract, grant, or cooperative agreement award shall be the same or substantially the same as is applied to small business firms and nonprofit organizations under chapter 18 of title 35, United States Code.

(b) WAIVER.—In awards not subject to chapter 18 of title 35, United States Code, any of the rights of the Federal Government or obligations of the performer described in sections 202 through 204 of that title may be waived or omitted if, under regulations prescribed by the Secretary of Defense, it is determined that—

(1) the interests of the United States and the general public will be better served by the waiver or omission, including such cases as when the waiver or omission is necessary to obtain a uniquely or highly qualified performer; or

(2) the award involves cosponsored, cost-sharing, or joint venture research and development, and the performer, cosponsor, or joint venturer is making a substantial contribution of funds, facilities, or equipment to the work performed under the award.

(c) REQUIREMENT FOR CONFIDENTIALITY.—The Secretary of Defense should protect the confidentiality of invention disclosure, patent applications, and utilization reports required in performance or in consequence of awards to the extent permitted by section 205 of title 35, United States Code, or other applicable laws.

SEC. 827. CERTIFICATION OF CLAIMS FOR SHIPBUILDING CONTRACTS.

(a) CERTIFICATION.—Section 2405 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) If a certification referred to in subsection (b) with respect to a shipbuilding contract is determined to be deficient because of the position, status, or scope of authority of the person executing the certification, the contractor may resubmit the certification. The resubmitted certification shall be based on the supporting data that existed when the original certification was submitted. The appropriateness of the person executing the resubmitted certification shall be determined on the basis of applicable law in effect at the time of the resubmission.

"(2) If a certification is resubmitted pursuant to paragraph (1) within 30 days after the date on which the contracting officer for the contract notifies the contractor in writing of the deficiency in the original certification, the resubmitted certification shall be deemed to have been submitted at the time the original certification was submitted.".

(b) APPLICABILITY.—(1) Except as provided in paragraph (2) the amendment made by subsection (a) shall apply to certifications determined to be deficient on or after the date of the enactment of this Act.

(2) In the case of a certification referred to in subsection (b) of section 2405 of title 10, United States Code, that has been determined to be deficient for a reason set forth in subsection (c)(1) of that section (as added by subsection (a)) before the date of the en-

actment of this Act, a certification resubmitted pursuant to such subsection (c)(1) within 180 days after that date shall be deemed to have been submitted on the date of the submission of the original certification.

SEC. 828. AUTHORITY FOR THE DEPARTMENT OF DEFENSE TO SHARE EQUITABLY THE COSTS OF CLAIMS UNDER INTERNATIONAL ARMAMENTS COOPERATION PROGRAMS.

(a) AMENDMENT TO THE ARMS EXPORT CONTROL ACT.—Section 27(c) of the Arms Export Control Act (22 U.S.C. 2767(c)) is amended in the second sentence by striking out "and administrative costs" and inserting in lieu thereof "costs, administrative costs, and costs of claims".

(b) AMENDMENTS TO TITLE 10.—(1) Section 2350a(c) of title 10, United States Code, is amended by inserting "(including the costs of claims)" after "project" the second place it appears.

(2) Section 2350d(c) of such title is amended by inserting "and costs of claims" after "administrative costs".

SEC. 829. ADVANCE NOTIFICATION OF CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES.

(a) NOTIFICATION REQUIRED.—(1) Chapter 141 of title 10, United States Code, as amended by section 806, is further amended by adding at the end the following new section:

"§ 2410f. Advance notification of contract performance outside the United States

"(a) NOTIFICATION.—(1) A firm that is performing a Department of Defense contract for an amount exceeding $10,000,000, or is submitting a bid or proposal for such a contract, shall notify the Department of Defense in advance of any intention of the firm or any subcontractor of the firm to perform outside the United States any part of the contract that exceeds $500,000 in value and could be performed inside the United States.

"(2) If a firm submitting a bid or proposal for a Department of Defense contract is required to submit a notification under this subsection, the notification shall be included in the bid or proposal.

"(b) RECIPIENT OF NOTIFICATION.—The firm shall transmit the notification—

"(1) in the case of a contract of a military department, to such officer or employee of that military department as the Secretary of the military department may direct; and

"(2) in the case of any other Department of Defense contract, to such officer or employee of the Department of Defense as the Secretary of Defense may direct.

"(c) AVAILABILITY OF NOTIFICATIONS.—The Secretary of Defense shall ensure that the notifications (or copies) are maintained in compiled form for a period of 5 years and are available for use in the preparation of the national defense technology and industrial base assessment carried out under section 2263 of this title.

"(d) INAPPLICABILITY TO CONSTRUCTION CONTRACTS.—This section shall not apply to contracts for military construction.".

(2) The table of sections at the beginning of such chapter, as amended by section 806, is further amended by adding at the end the following new item:

"2410f. Advance notification of contract performance outside the United States.".

(b) EFFECTIVE DATE.—Section 2410d of title 10, United States Code (as added by subsection (a)), shall take effect 90 days after the date of the enactment of this Act.

SEC. 830. ALLOWABLE COSTS.

(a) PENALTIES.—Section 2324 of title 10, United States Code, is amended by striking out subsections (a), (b), (c), and (d) and inserting in lieu thereof the following:

"(a) The Secretary of Defense shall require that a covered contract provide that if the contractor submits to the Department of Defense a proposal for settlement of indirect costs incurred by the contractor for any period after such costs have been accrued and if that proposal includes the submission of a cost which is unallowable because the cost violates a cost principle in the Federal Acquisition Regulation or the Department of Defense Supplement to the Federal Acquisition Regulation, the cost shall be disallowed.

"(b)(1) If the Secretary determines that a cost submitted by a contractor in its proposal for settlement is expressly unallowable under a cost principle referred to in subsection (a) that defines the allowability of specific selected costs, the Secretary shall assess a penalty against the contractor in an amount equal to—

"(A) the amount of the disallowed costs allocated to covered contracts; plus

"(B) interest (to be computed based on regulations issued by the Secretary) to compensate the United States for the use of any funds which the contractor has been paid in excess of the amount to which the contractor was entitled.

"(2) If the Secretary determines that a proposal for settlement of indirect costs submitted by a contractor includes a cost determined to be unallowable in the case of such contractor before the submission of such proposal, the Secretary shall assess a penalty against the contractor in an amount equal to two times the amount of the disallowed cost allocated to covered contracts.

"(c) The Secretary shall prescribe regulations providing for a penalty under subsection (b) to be waived in the case of a contractor's proposal for settlement of indirect costs when—

"(1) the contractor withdraws the proposal before the formal initiation of an audit of the proposal by the Federal Government and resubmits a revised proposal; or

"(2) the amount of unallowable costs subject to the penalty is insignificant.

"(d) An action of the Secretary under subsection (a) or (b)—

"(1) shall be considered a final decision for the purposes of section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605); and

"(2) is appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply, as provided in regulations prescribed by the Secretary of Defense, with respect to proposals for settlement of indirect costs for contractor fiscal years for which the Federal Government has not formally initiated an audit of the proposals before that date.

SEC. 831. SCIENCE AND TECHNOLOGY FELLOWSHIP PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a science and technology fellowship program in accordance with this section in order to enhance the ability of the Department of Defense to recruit and retain employees who are highly qualified in fields of science and technology.

(b) NUMBER OF FELLOWSHIPS.—The Secretary of Defense may designate up to 25 employees of the Department of Defense as science and technology fellows.

(c) COVERED POSITIONS.—In order to be eligible for designation as a science and technology fellow, an employee shall be serving in a science or technology position in the Department of Defense that involves the performance of duties likely to result in significant restrictions under law on the employment activities of that employee after leaving Government service.

(d) SUPPORT FOR 2-YEAR PERIOD OF RESEARCH AND TEACHING.—After a science and technology fellow completes 2 years of Federal Government service as an employee in a science or technology position in the Department of Defense, the Secretary of Defense shall support the employment of the fellow, in accordance with subsection (e), in research or teaching in a field related to Federal Government science and technology policy for 2 years.

(e) FORMS OF SUPPORT.—(1) If the fellow engages in research or teaching referred to in subsection (d) in the defense acquisition university structure of the Department of Defense or any other institution of professional education of the Federal Government, the Secretary of Defense shall continue the fellow as an employee of the Department of Defense in a grade or level at least equal to the grade or level of the position in which the fellow served in the Department of Defense as a fellow before undertaking such research or teaching.

(2) If the fellow terminates employment as a Federal employee and engages in research or teaching referred to in subsection (d) in a nonprofit institution of higher education, the Secretary of Defense shall pay the fellow a stipend at least equal to the rate of pay and the equivalent of the employee benefits that the fellow would have received under paragraph (1) if the fellow were engaging in that research or teaching in an institution of professional education of the Federal Government.

SEC. 832. ADVISORY AND ASSISTANCE SERVICES FOR OPERATIONAL TEST AND EVALUATION.

Paragraph (3) of section 2399(e) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(3)"; and

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

"(B) The limitation in subparagraph (A) does not apply to a contractor that has participated in such development, production, or testing solely as a representative of the Federal Government.".

SEC. 833. REGULATIONS RELATING TO SUBSTANTIAL CHANGES IN THE PARTICIPATION OF A MILITARY DEPARTMENT IN A JOINT ACQUISITION PROGRAM.

(a) REGULATIONS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations that prohibit each military department participating in a joint acquisition program approved by the Under Secretary of Defense for Acquisition from terminating or substantially reducing its participation in such program without the approval of the Under Secretary.

(b) CONTENT OF REGULATIONS.—The regulations shall include the following provisions:

(1) A requirement that, before any such termination or substantial reduction in participation is approved, the proposed termination or reduction be reviewed by the Joint Requirements Oversight Council of the Department of Defense.

(2) A provision that authorizes the Under Secretary of Defense for Acquisition to require a military department approved for termination or substantial reduction in participation in a joint acquisition program to continue to provide some or all of the funding necessary for the acquisition program to be continued in an efficient manner.

SEC. 834. RESTRICTION ON PURCHASE OF SONOBUOYS.

(a) LIMITATION.—The Secretary of Defense may not procure a sonobuoy manufactured in a foreign country unless United States firms that manufacture sonobuoys are permitted to compete on an equal basis with foreign manufacturing firms for the sale of sonobuoys in that foreign country.

(b) WAIVER AUTHORITY.—The Secretary may waive the limitation in subsection (a) with respect to a particular procurement of sonobuoys if the Secretary determines that such procurement is in the national security interests of the United States.

(c) DEFINITION.—In this section, the term "United States firm" has the meaning given such term in section 2505(d)(1) of title 10, United States Code.

SEC. 835. SHIPBUILDING TOTAL PROGRAM REPORTING.

Section 2431 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) In the application of subsection (b)(2) to reports regarding a shipbuilding program, the term 'units to be procured until procurement is completed' means the greater of—

"(1) the number of ships used in the cost and operational effectiveness analysis that supports a Milestone I decision for the program;

"(2) the number of ships used in the cost and operational effectiveness analysis that supports a Milestone II decision for the program; or

"(3) the total number of ships that would be procured under the program if the latest multiyear defense program submitted under section 114a of this title were implemented.".

SEC. 836. PURCHASE OF ANGOLAN PETROLEUM PRODUCTS.

The prohibition in section 316 of the National Defense Authorization Act for Fiscal Year 1987 (100 Stat. 3855; 10 U.S.C. 2304 note) shall cease to be effective on the date on which the President certifies to Congress that free, fair, and democratic elections have taken place in Angola after September 1, 1992.

SEC. 837. PROGRAM TO ENCOURAGE DIVERSIFICATION OF DEFENSE LABORATORIES.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, acting through the Director of Defense Research and Engineering, shall establish and implement a program to be known as the Federal Defense Laboratory Diversification Program (hereafter in this section referred to as the "Program"). The purpose of the Program shall be to encourage greater cooperation in research and production activities carried out by defense laboratories and by private industry of the United in order to enhance and improve the products of such research and production activities.

(b) PROGRAM GOALS.—Under the Program, the defense laboratories shall carry out cooperative activities with private industry in order to promote the transfer (by the use or exchange of patents, licenses, cooperative research and development agreements and other cooperative agreements, and the use of symposia, meetings, and other similar mechanisms) of defense or dual-use technologies from the defense laboratories to private industry for the purpose of the commercial utilization of such technologies by private industry.

(c) DEVELOPMENT OF PLANS FOR PROGRAM.—The Director of Defense Research and Engineering shall develop and annually update a plan for each defense laboratory that participates in the Program under which plan the laboratory shall carry out cooperative activities with private industry to promote the transfers described in subsection (b).

(d) REPORTS ON SURVEY OF LABS AND IMPLEMENTATION OF PROGRAM.—(1) Not later than September 30, 1993, the Director of Research and Engineering shall submit to Congress a report containing the following:

(A) An assessment of the potential of each such laboratory to promote the transfers described in subsection (b).

(B) Recommendations on the manner in which each such laboratory might better promote such transfers.

(C) A description of the extent to which each such laboratory has implemented effectively the plan established for the laboratory under subsection (c) during the year preceding the date of the report.

(D) Recommendations of the Director for the improvement of the Program.

(e) DEFINITION.—In this section, the term "defense laboratory" means any laboratory owned or operated by the Department of Defense that carries out research in fiscal year 1993 in an amount in excess of $5,000,000.

SEC. 838. DEFENSE PRODUCTION ACT AMENDMENTS.

(a) INVESTIGATIONS OF CERTAIN MERGERS, ACQUISITIONS, AND TAKEOVERS.—Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended—

(1) by redesignating subsections (b) through (h) as subsections (c) through (i), respectively; and

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

"(b) MANDATORY INVESTIGATIONS.—The President or the President's designee shall make an investigation, as described in subsection (a), in any instance in which an entity controlled by or acting on behalf of a foreign government seeks to engage in any merger, acquisition, or takeover of a person engaged in interstate commerce in the United States that could affect the national security of the United States. Such investigation shall—

"(1) commence not later than 30 days after receipt by the President or the President's designee of written notification of the proposed or pending merger, acquisition, or takeover, as prescribed by regulations promulgated pursuant to this section; and

"(2) shall be completed not later than 45 days after its commencement.

(b) CONSIDERATIONS OF THE PRESIDENT.—Section 721(f) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(f)) (as redesignated by subsection (a)) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period and inserting a comma; and

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

"(4) the potential effects of the proposed or pending transaction on sales of military goods, equipment, or technology to any country—

"(A) identified by the Secretary of State—

"(i) under section 6(j) of the Export Administration Act of 1979, as a country that supports terrorism;

"(ii) under section 6(*l*) of the Export Administration Act of 1979, as a country of concern regarding missile proliferation; or

"(iii) under section 6(m) of the Export Administration Act of 1979, as a country of concern regarding the proliferation of chemical and biological weapons; or

"(B) listed under section 309(c) of the Nuclear Non-Proliferation Act of 1978 on the 'Nuclear Non-Proliferation-Special Country List' (15 C.F.R. Part 778, Supplement No. 4) or any successor list; and

"(5) the potential effects of the proposed or pending transaction on United States international technological leadership in areas affecting United States national security.".

(c) REPORT.—Section 721(g) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(f)) (as redesignated by subsection (a)) is amended to read as follows:

"(g) REPORT TO THE CONGRESS.—The President shall immediately transmit to the Secretary of the Senate and the Clerk of the House of Representatives a written report of the President's determination of whether or not to take action under subsection (d), including a detailed explanation of the findings made under subsection (e) and the factors considered under subsection (f).".

(d) SENSE OF THE CONGRESS REGARDING THE COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.—It is the sense of the Congress that the President should include in the membership of the Committee on Foreign Investment in the United States (established by Executive Order No. 11858)—

(1) the Director of the Office of Science and Technology Policy; and

(2) the Assistant to the President for National Security.

(e) INTELLIGENCE STUDY.—

(1) IN GENERAL.—In order to assist the Congress in its oversight responsibilities with respect to section 721 of the Defense Production Act (as amended by this section), the Director of the Federal Bureau of Investigations and the Director of Central Intelligence shall jointly submit to the Congress a report that evaluates whether—

(A) there is credible evidence of a strategy by 1 or more foreign countries or companies to acquire United States companies involved in the research, development, or production of defense critical technologies of which the United States is a leading producer; and

(B) such strategy is intended as a means—

(i) of obtaining access to defense critical technologies that the foreign entity would not otherwise have; or

(ii) of gaining substantial control of the market for such technologies.

(2) SUBMISSION.—The report required under paragraph (1) shall be submitted—

(A) not later than 1 year after the date of enactment of this Act; and

(B) upon the expiration of every 4-year period thereafter.

SEC. 839. LANDSAT REMOTE-SENSING SATELLITE.

Notwithstanding the provisions of the Land-Remote Sensing Commercialization Act of 1984 (Public Law 98-365), the Department of Defense is authorized to contract for the development, procurement, and support to operations of Landsat 7 and subsequent Landsat vehicles.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

SEC. 901. REPORT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF ON ROLES AND MISSIONS OF THE ARMED FORCES.

(a) REPORT.—(1) The Secretary of Defense shall transmit to Congress a copy of the first report relating to the roles and missions of the Armed Forces that is submitted to the Secretary by the Chairman of the Joint Chiefs of Staff under section 153(b) of title 10, United States Code, after January 1, 1992.

(2) The Secretary shall transmit the report, together with his views on the report, within 30 days after receiving the report.

(b) ADDITIONAL MATTERS.—In addition to the matters required under such section

153(b), the Chairman shall include in the report referred to in subsection (a) the Chairman's comments and recommendations regarding the following matters:

(1) The extent to which the efficiency of the Armed Forces in carrying out its roles and missions can be enhanced by the elimination or reduction of duplication in the capabilities of, or by the consolidation or streamlining of organizations and activities within, the military departments and Defense Agencies.

(2) Changes in the operational tempo of forces stationed in the continental United States and changes in deployment patterns and operational tempo of forces deployed outside the United States.

(3) Changes in the readiness status of units based upon time-phased force deployment plans.

(4) Transfers of functions from the active components of the Armed Forces to the reserve components of the Armed Forces.

SEC. 902. VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) DESIGNATION AS A MEMBER OF THE JOINT CHIEFS OF STAFF.—Section 151(a) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

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

"(2) The Vice Chairman.".

(b) CONFORMING AMENDMENTS.—(1) Section 154 of such title is amended—

(A) in subsection (c), by striking out "such" and inserting in lieu thereof "the duties prescribed for him as a member of the Joint Chiefs of Staff and such other";

(B) by striking out subsection (f); and

(C) by redesignating subsection (g) as subsection (f).

(2) Section 155(a)(1) of such title is amended by striking out "and the Vice Chairman."

SEC. 903. ASSISTANT TO THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF FOR NATIONAL GUARD AND RESERVE AFFAIRS.

Section 155 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(h) ASSISTANT FOR NATIONAL GUARD AND RESERVE AFFAIRS.—(1) The Chairman of the Joint Chiefs of Staff shall establish on the Joint Staff the position of Assistant to the Chairman of the Joint Chiefs of Staff for National Guard and Reserve Affairs.

"(2) The Assistant to the Chairman shall be a commissioned officer in the reserve components.

"(3) The Assistant to the Chairman shall be the principal adviser to the Chairman of the Joint Chiefs of Staff on matters concerning the reserve components.

"(4) The staff of the Assistant to the Chairman shall be members of the reserve components within the end strengths authorized by law for the number of Reserves serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components.".

SEC. 904. ORGANIZATION OF THE OFFICE OF THE CHIEF OF NAVAL OPERATIONS.

(a) CONSOLIDATION OF NAVY HEADQUARTERS MANAGEMENT STRUCTURE.—The Secretary of the Navy shall consolidate and streamline the Navy headquarters establishments within the Office of the Chief of Naval Operations to reflect changes in the roles and missions of the Department of the Navy.

(b) ASSISTANT CHIEF OF NAVAL OPERATIONS FOR EXPEDITIONARY WARFARE.—(1) Section 5037 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) One of the Assistant Chiefs of Naval Operations shall be the Assistant Chief of Naval Operations for Expeditionary Warfare who shall be detailed from officers on the active-duty list of the Marine Corps.

"(2) An officer assigned to the position of Assistant Chief of Naval Operations for Expeditionary Warfare, while so serving, has the grade of lieutenant general without vacating his permanent grade. The Assistant Chief of Naval Operations for Expeditionary Warfare shall be appointed to that grade by the President, by and with the advice and consent of the Senate, for service in that position.

"(3) The principal duty of the Assistant Chief of Naval Operations for Expeditionary Warfare shall be to supervise the performance of all responsibilities of the Chief of Naval Operations regarding expeditionary warfare, including responsibilities regarding amphibious lift, mine warfare, naval fire support, aviation support, and other missions essential to supporting expeditionary warfare.".

(2) The Chief of Naval Operations shall transfer duties, responsibilities, and staff from other personnel within the Office of the Chief of Naval Operations as necessary to fully support the Assistant Chief of Naval Operations for Expeditionary Warfare.

(3) Paragraph (4) of section 525(b) of title 10, United States Code, is amended—

(A) in subparagraph (A), by inserting "or referred to in subparagraph (C)" after "subparagraph (B)"; and

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

"(C) Subparagraph (C) applies to the Assistant Chief of Naval Operations for Expeditionary Warfare in addition to officers designated under subparagraph (B).".

SEC. 905. CERTIFICATIONS RELATING TO THE ASSISTANT SECRETARY OF DEFENSE FOR SPECIAL OPERATIONS AND LOW INTENSITY CONFLICT AND THE SPECIAL OPERATIONS COMMAND.

(a) CERTIFICATIONS.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall (except as otherwise provided under subsection (b)) certify to the congressional defense committees the following:

(1) That the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict and the commander of the special operations command established pursuant to section 167 of title 10, United States Code, have been assigned the duties and functions specified for the Assistant Secretary and that commander, respectively, under law, the Unified Command Plan, and Department of Defense Directive No. 5138.3 (dated January 4, 1988).

(2) That the Assistant Secretary and the special operations command have been authorized the number of personnel necessary for the Assistant Secretary and the commander of the special operations command to perform such respective duties and functions.

(b) ALTERNATIVE TO CERTIFICATION.—If the Secretary of Defense is unable to make the certifications referred to in subsection (a) within the 120-day period provided in that subsection, the Secretary shall submit to the congressional defense committees a report notifying the committees that the Secretary is unable to make such certifications and setting forth the actions that the Secretary will take in order to enable the Secretary to make such certifications after the expiration of that period.

SEC. 906. JOINT OFFICER PERSONNEL POLICY.

(a) FIVE-YEAR EXTENSION OF AUTHORITY RELATING TO JOINT DUTY ASSIGNMENT AS PREREQUISITE FOR PROMOTION TO GENERAL OR FLAG OFFICER.—Section 619(e) of title 10, United States Code, is amended by striking out "January 1, 1994" in paragraphs (1) and (2)(E) and inserting in lieu thereof "January 1, 1999".

(b) EDUCATION AND EXPERIENCE REQUIREMENTS.—Section 661(c)(1)(A) of such title is amended by inserting before the semicolon the following: "or successfully completes a program at a civilian institution of higher education leading to the award of a master's or higher degree".

(c) LENGTH OFF JOINT DUTY ASSIGNMENTS.—(1) Subsection (f) of section 664 of such title is amended to read as follows:

"(f) FULL TOUR OF DUTY.—An officer shall be considered to have completed a full tour of duty in a joint duty assignment upon the successful completion by that officer of a joint duty assignment, or of an assignment within the officer's military department, if the officer is certified as having gained significant experience in joint matters in that assignment by—

"(1) in the case of an assignment in a unit or organization in a combatant command, the commander of the combatant command;

"(2) in the case of an assignment in a Defense Agency, the head of that Defense Agency; or

"(3) in the case of any other assignment, the Chairman of the Joint Chiefs of Staff.".

(2) Subsection (d)(1)(D) of that section is amended to read as follows:

"(D) a reassignment for unusual personal reasons (including extreme hardship and medical conditions) beyond the control of the officer or the armed forces or a reassignment to another joint duty assignment.".

(d) CONFORMING AMENDMENTS.—(1) Section 664 of such title is amended by striking out paragraph (3) of subsection (d) and subsections (g) and (h).

(2) Section 668(b)(1) of such title is amended by striking out "exclude—" and all that follows through the period at the end and inserting in lieu thereof "exclude assignments for joint training or joint education.".

SEC. 907. JOINT DUTY CREDIT FOR EQUIVALENT DUTY IN OPERATIONS DESERT SHIELD AND DESERT STORM.

(a) IN GENERAL.—(1) The Secretary of Defense, upon a recommendation made in accordance with paragraph (3), shall credit an officer of the Armed Forces of the United States who has completed service described in paragraph (2) as having completed a full tour of duty in a joint duty assignment for the purposes of chapter 38 of title 10, United States Code.

(2) Paragraph (1) applies to any officer who, after August 1, 1990, and before October 1, 1991, performed service in an assignment in the Persian Gulf combat zone that—

(A) provided significant experience in joint matters; or

(B) involved frequent professional interaction of that officer with (i) units and members of any of the armed forces other than the officer's armed force, or (ii) an allied armed force.

(3) The Secretary shall take action under paragraph (1) in the case of any officer if that action is recommended, with the concurrence of the Chairman of the Joint Chiefs of Staff, by the Chief of Staff of the Army (for an officer in the Army), the Chief of Naval Operations (for an officer in the Navy), the Chief of Staff of the Air Force (for an officer in the Air Force), or the Commandant

of the Marine Corps (for an officer in the Marine Corps).

(b) INAPPLICABILITY OF CERTAIN REPORTING AND POLICY REQUIREMENTS.—Officers for whom joint duty credit has been granted pursuant to subsection (a) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of title 10, United States Code, and subsections (a)(3) and (b) of section 662 of such title.

(c) INFORMATION ON EXERCISE OF AUTHORITY TO BE INCLUDED IN FISCAL YEAR 1993 ANNUAL REPORT.—The annual report submitted to Congress by the Secretary of Defense for fiscal year 1993 under section 113(c) of title 10, United States Code, shall include the following information:

(1) The total number of officers granted joint duty credit pursuant to subsection (a).

(2) The total number of such officers for each armed force.

(3) The total number of officers in each grade and each occupational specialty who have been granted joint duty credit pursuant to subsection (a).

(4) For each armed force, the total number of such officers in each grade and each occupational specialty who have been granted such credit.

(d) DEFINITIONS.—In this section:

(1) The term "joint matters" has the meaning given such term in section 668(a) of title 10, United States Code.

(2) The term "Persian Gulf combat zone" means the area designated by the President as the combat zone for Operation Desert Shield, Operation Desert Storm, and related operations for purposes of section 112 of the Internal Revenue Code of 1986.

SEC. 908. CINC INITIATIVE FUND.

(a) AUTHORIZED RECIPIENTS OF FUNDS.—Subsection (a) of section 166a of title 10, United States Code, is amended in the first sentence by striking out "funds, upon request," and all that follows through the period and inserting in lieu thereof "funds to the commander of a combatant command, upon the request of the commander, or to the Director of the Joint Staff with respect to an area or areas not within the area of responsibility of a commander of a combatant command.".

(b) AUTHORIZED ACTIVITIES.—Subsection (b)(7) of such section is amended by inserting "(including transportation, translation, and administrative expenses)" before the period at the end.

(c) PRIORITY.—Subsection (c) of such section is amended by inserting before the period at the end the following:

"(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the CINC Initiative Fund or the provision of funds to the Director of the Joint Staff under subsection (a), should give priority consideration to—

"(1) requests for funds to be used for activities that would enhance the war fighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds; and

"(2) the provision of funds to be used for activities with respect to an area or areas not within the area of responsibility of a commander of a combatant command that would reduce the threat to, or otherwise increase, the national security of the United States.".

(d) LIMITATIONS.—Subsection (e)(1)(C) of such section is amended to read as follows:

"(C) not more than $5,000,000 may be used to provide military education and training (including transportation, translation, and administrative expenses) to military and related civilian personnel of foreign countries as authorized by subsection (b)(7).".

SEC. 909. DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR EQUAL OPPORTUNITY.

(a) REQUIREMENT FOR REESTABLISHMENT OF POSITION.—The Secretary of Defense shall reestablish within the Office of the Secretary of Defense the position of Deputy Assistant Secretary of Defense for Equal Opportunity and provide for the official in that position to carry out the same or similar duties that were formerly carried out by the Deputy Assistant Secretary of Defense for Equal Opportunity before that position was abolished.

(b) STAFF SUPPORT.—The Secretary shall provide staff for the Deputy Assistant Secretary of Defense for Equal Opportunity in a sufficient number and with sufficient qualifications to enable the Deputy Assistant Secretary of Defense to perform the duties of the position effectively.

(c) USE OF RESOURCE AVAILABLE.—The Secretary shall carry out the requirements of this section with the existing resources available to the Department of Defense.

SEC. 910. DELIVERY OF LEGAL SERVICES WITHIN THE DEPARTMENT OF DEFENSE.

Not later than 10 days after the date of the enactment of this Act, the Secretary of Defense shall rescind or revise the memorandum of the Deputy Secretary of Defense entitled "Ensuring Execution of the Laws and Effective Delivery of Legal Services", dated March 3, 1992.

SEC. 911. COMMISSION ON THE CONDUCT AND REVIEW OF INVESTIGATIONS IN THE DEPARTMENT OF DEFENSE.

(a) ESTABLISHMENT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish a Commission on the Conduct and Review of Investigations in the Department of Defense.

(b) MEMBERSHIP.—The Commission shall be composed of 11 persons who have significant experience in the conduct or review of major investigations, as follows:

(1) Five officials of the Department of Defense, one of whom shall be the Inspector General of the Department of Defense and one of whom shall be the General Counsel of the Department of Defense.

(2) Three former officials of the Department of Defense who, during their Department of Defense service, had substantial responsibility for the conduct or review of major investigations.

(3) Three individuals who, during current or past service in the Federal Government, have had significant experience in the conduct or review of major investigations primarily involving Federal agencies other than the Department of Defense.

(c) DUTIES.—The Commission shall—

(1) review Department of Defense policies, procedures, and practices concerning the conduct and review of investigations; and

(2) in accordance with subsection (e)(1), make any recommendations for changes in such policies, procedures, and practices that the Commission considers appropriate.

(d) REVIEW.—The matters reviewed by the Commission shall include the following:

(1) The training and qualifications of investigative personnel.

(2) The division of responsibilities among organizations with investigative, audit, and inspection functions within the Department of Defense.

(3) The coordination of activities among such organizations.

(4) Procedures for ensuring that such organizations are capable of, and responsive to, the needs of the unified combatant commands, the Defense Agencies, and other joint organizations.

(5) Procedures for ensuring that prompt and thorough investigations are conducted of allegations of misconduct concerning classified matters, operational matters, and the performance of persons in the chain of command.

(6) Procedures for ensuring that investigative organizations are not subject to improper command influence while also ensuring that such organizations are responsive to the investigative and inspection needs of the chain of command.

(7) Procedures for ensuring that there is timely and thorough coordination between organizations conducting investigations and officials within the chain of command who will be responsible for acting on the results of such investigations.

(8) Procedures for ensuring that there is a timely determination as to whether an investigation should be undertaken by a court of inquiry or other formal administrative board procedure.

(9) Procedures for ensuring that the rights of persons under the Uniform Code of Military Justice, administrative procedures, and other applicable laws and regulations are protected during the course of an investigation and subsequent review procedures.

(10) Guidance for ensuring that military and civilian officials in the chain of command receive timely instruction and advice on the procedures for undertaking appropriate management actions during the pendency of an investigation without interfering with the investigation or engaging in unlawful command influence.

(11) Procedures for ensuring that investigative materials are organized and presented in a manner that facilitates timely action by reviewing authorities.

(12) Such other matters related to the duties of the Commission as may be specified by the Secretary of Defense or the Commission.

(e) REPORT.—(1) Not later than November 15, 1993, the Commission shall transmit to the Secretary of Defense a report containing the results of its review under subsection (c) and its recommendations in accordance with that subsection.

(2) The Secretary shall transmit the report of the Commission, together with his comments and recommendations, to the congressional defense committees not later than December 15, 1993.

SEC. 912. SENSE OF CONGRESS ON COOPERATION BETWEEN THE ARMY AND THE MARINE CORPS.

(a) FINDINGS.—With respect to the roles and missions of the Army and Marine Corps, the Congress makes the following findings:

(1) Both the Army and the Marine Corps have long and proud traditions of service to the United States in times of war and peace.

(2) The Marine Corps and the Army provide complementary military capabilities that are necessary for carrying out the national military strategy of the United States.

(3) Operation Desert Shield and Operation Desert Storm demonstrated the complementary nature of those capabilities and the substantial degree to which the Army and the Marine Corps can effectively coordinate their activities and cooperate with each other.

(4) The availability of future Federal budget resources for the Army and the Marine Corps is likely to be significantly more limited than the Federal budget resources currently available for the Army and the Marine Corps.

(b) SENSE OF CONGRESS.—(1) It is the sense of Congress that the Army and the Marine

Corps should intensify efforts to eliminate unnecessary duplication, to improve interservice coordination, and to specialize in areas in which each has a comparative advantage.

(2)(A) The Congress encourages the Chairman of the Joint Chiefs of Staff to examine whether—

(i) the Army should provide the Marine Corps with armor and heavy fire support needed for mid-intensity and high-intensity combat; or

(ii) the Marine Corps should be equipped with the armor, heavy artillery, and other weapons and sustainability needed to engage in mid-intensity and high-intensity combat independent of the other military services.

(B) In conducting the examination, the Chairman should consider the following actions:

(i) Designating Army artillery battalions equipped with the Multiple Launch Rocket System to support Marine amphibious forces afloat.

(ii) Designating Army tank battalions to support Marine amphibious forces afloat.

(iii) Equipping Maritime Prepositioning Ships with Multiple Launch Rocket System launchers and M1 tanks to be manned by Army units in support of Marine forces.

(iv) Transferring management of all prepositioning shipping on behalf of all of the Armed Forces to the Marine Corps.

(v) Transferring Army shipping and lighterage to the Navy.

(C) In the consideration of the actions referred to in subparagraph (B), the Chairman should evaluate the logistics, training, and operational implications of each action.

(D) If the Chairman recommends that the Marine Corps be equipped with the armor, heavy artillery, other weapons, and sustainability necessary for engaging in mid-intensity and high-intensity combat independent of the other services, the Chairman should determine, as part of the examination under this paragraph, the following:

(i) What additional procurement requirements and costs are necessary to equip the Marine Corps to meet the demands of mid-intensity and high-intensity combat.

(ii) The adequacy of current prepositioning programs, mine warfare capability, naval fire support, and night fighting capability to meet the demands of mid-intensity and high-intensity combat.

(3) The Chairman should consider the matters set forth in paragraphs (1) and (2) and the options for streamlining the roles and missions of the Army and the Marine Corps in the performance of his responsibilities under section 153(b) of title 10, United States Code.

SEC. 913. NATIONAL GUARD AND RESERVE COMPONENT OPERATIONAL SUPPORT AIRLIFT STUDY.

(a) STUDY REQUIRED.—The Secretary of Defense shall undertake a study of operational support airlift aircraft and administrative transport airlift aircraft operated by the National Guard and the reserve components.

(b) STUDY REQUIREMENTS.—The study required by subsection (a) shall include the following:

(1) An inventory of all operational support airlift aircraft and administrative transport airlift aircraft that are operated by the reserve components.

(2) The peacetime utilization rate of such aircraft.

(3) The wartime mission of such aircraft.

(4) The need for such aircraft for the future base force.

(5) The current age, projected service life, and programmed retirement date for such aircraft.

(6) A list of aircraft programmed in the fiscal year 1994 future years defense program to be purchased for the reserve components or to be transferred from the active components to the reserve components.

(7) The funds programmed in the fiscal year 1994 future years defense program for procurement of replacement operational support and administrative transport airlift aircraft, and the acquisition strategy proposed for each type of replacement aircraft so programmed.

(c) DEFINITION.—In this section, the term "future years defense program" means the multiyear defense program submitted to Congress pursuant to section 114a of title 10, United States Code.

SEC. 914. CONTINUING REQUIREMENT FOR REPORTING ON OPERATIONAL ACTIVITIES.

(a) IN GENERAL.—Chapter 2 of title 10, United States Code, is amended by inserting after section 116 the following new section 117:

"§ 117. Continuing requirement for reporting on operational activities

"(a)(1) The Secretary of Defense shall ensure that the Committees on Armed Services of the Senate and House of Representatives are fully and currently informed of all operational activities carried out by members of the armed forces or employees of the Department of Defense.

"(2) Matters covered by the War Powers Resolution (50 U.S.C. 1541 et seq.) shall be reported in accordance with the provisions of that resolution.

"(b) The head of any other department or agency (including the head of any independent establishment) of the Federal Government shall submit to the Committees on Armed Services of the Senate and the House of Representatives any information requested by either such committee relating to any operational activity referred to in subsection (a)(1).

"(c) Information required to be submitted under subsection (a) or (b) may not be withheld from a committee referred to in such subsection on the grounds that such information would constitute the unauthorized disclosure of classified information.

"(d) In this section, the term 'operational activity' means an activity that involves the introduction of a unit or units of the armed forces into the territory, including the airspace and waters, of another country for other than traditional peacetime military activities or routine support of such activities.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 116 the following new item:

"117. Continuing requirement for reporting on operational activities.".

SEC. 915. LIMITATION REGARDING SUBMISSION OF THE ROLES AND MISSIONS REPORT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) LIMITATION.—Not more than 50 percent of the total amount appropriated pursuant to an authorization of appropriations contained in title I or II of this Act that is made available for a program referred to in subsection (b) may be obligated for such program until 60 days after the Secretary of Defense—

(1) has submitted to Congress the budget request for fiscal year 1994 for the Department of Defense; and

(2) has submitted to the congressional defense committees a copy of the first report on assignment of roles and missions of the armed forces that the Chairman of the Joint Chiefs of Staff submits to the Secretary of Defense pursuant to section 153(b) of title 10, United States Code, after January 1, 1992.

(b) APPLICABILITY.—Subsection (a) applies to the following programs:

(1) The F-22 Advanced Tactical Fighter program.

(2) The F-18E/F fighter program.

(3) The AX/ATA attack aircraft program.

(4) The Patriot Product Improvement Program.

(5) The Hawk Product Improvement Program.

Subtitle B—Drug Interdiction and Counter-Drug Activities

SEC. 921. ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.

Section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 374 note) is amended—

(1) in subsection (a), by striking out "and 1993," and inserting in lieu thereof "1993, and 1994,";

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

"(9) Detection, monitoring, and communication of the movement of traffic at, near, and outside the geographic boundaries of the United States.

"(10) Linguist and intelligence analysis services.";

(3) by redesignating subsections (c) through (g) as subsections (d) through (h), respectively;

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

"(c) 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."; and

(5) in subsection (g)(2), as redesignated by paragraph (3), by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)".

SEC. 922. MAINTENANCE AND OPERATION OF EQUIPMENT.

Section 374(b)(2)(A) of title 10, United States Code, is amended by inserting "and land traffic at, near, and outside the geographic boundaries of the United States" before the period at the end.

SEC. 923. EXTENSION OF AUTHORITY TO TRANSFER EXCESS PERSONAL PROPERTY.

Section 1208(c) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 10 U.S.C. 372 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

SEC. 924. COUNTER-DRUG SENSOR MIX STUDY.

(a) REQUIREMENT FOR STUDY AND REPORT.—The Secretary of Defense shall—

(1) conduct a study of the land-based, sea-based, and air-based systems used by the Department of Defense in carrying out activities relating to the reconnaissance, detection, and monitoring of drug traffic; and

(2) submit to Congress a report on the results of the study.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) An assessment of the capabilities, strengths, and weaknesses of the systems referred to in subsection (a).

(2) An evaluation of the feasibility and desirability of using airships to carry out the activities referred to in subsection (a).

(3) Recommendations regarding the optimal and most cost-effective combination of use of such systems to carry out such activities.

(c) LIMITATION ON OBLIGATION OF FUNDS.—(1) Except as provided in paragraph (2), none of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1993 pursuant to an authorization of appropriations in this Act may be obligated or expended for the procurement or upgrading of a counter-drug reconnaissance, detection, and monitoring system, for research and development with respect to such a system, or for the lease or rental of such a system until the Secretary submits to Congress the report required under subsection (a).

(2) Paragraph (1) shall not prohibit obligations or expenditures of funds for any procurement, upgrading, research and development, or lease of a system that is necessary to carry out the study required under subsection (a).

SEC. 925. DEMAND REDUCTION PROGRAM.

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

(1) The flow of illegal drugs into the United States has not declined appreciably in recent years.

(2) While interdiction of illegal drugs helps to reduce the flow of such drugs into the United States, reduction of demand for such drugs in the United States is the most effective way to reduce that flow.

(3) Members of the Armed Forces have been more successful than persons in other segments of society in reducing their use of illegal drugs.

(4) The active and reserve components of the Armed Forces have conducted a successful outreach program to reduce demand for illegal drugs in the vicinity of military installations and National Guard facilities.

(5) It is in the interest of the United States that, to the maximum extent practicable, the outreach program be expanded to include regions beyond the vicinity of military installations and National Guard facilities and to focus on youths, in general, and inner-city youths, in particular.

(b) DEMAND REDUCTION ACTIVITIES.—The Secretary of Defense shall conduct an outreach program in order to reduce demand for illegal drugs among youths. The Secretary shall conduct the program as follows:

(1) By providing travel and living allowances to members of the Armed Forces to permit such members to carry out the current demand reduction outreach program in areas beyond the vicinity of military installations and National Guard facilities.

(2) By establishing and operating camps for youths (including providing food and lodging) to provide programs and activities that encourage reduction in the demand by such youths for illegal drugs.

(3) By providing for opportunities in which appropriate personnel of the Armed Forces act as role models for youths.

(4) By providing self-worth, self-esteem, motivational, and basic skills training to youths.

(5) By providing substance abuse counseling and treatment services.

(6) By providing support for community drug treatment and prevention programs.

(7) By providing appropriate training to substance abuse counselors.

(8) By carrying out such other activities as the Secretary determines advisable to encourage the reduction in demand for illegal drugs among members of the civilian population of the United States.

(c) FUNDING.—Notwithstanding any other provision of law, funds available to the Department of Defense for drug interdiction and counter-drug activities may be used for carrying out the program described in subsection (b).

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 1993 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 of Defense may transfer under the authority of this section may not exceed $1,500,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1002. RESTATEMENT OF REQUIREMENT FOR MISSION BUDGET.

(a) IN GENERAL.—(1) Section 114a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) MULTIYEAR MISSION BUDGET.—(1) The Secretary of Defense shall submit to Congress a multiyear budget for the Department of Defense with the budget submitted pursuant to section 1105 of title 31. The multiyear budget shall be consistent with the multiyear defense plan required under subsection (a). In the multiyear budget the military programs within the Department of Defense shall be organized on the basis of major roles, missions, or forces of the Department of Defense.

"(2) The requirement in paragraph (1) is in addition to the requirements in any other provision of law regarding the format for the presentation regarding military programs of the Department of Defense in the budget submitted pursuant to section 1105 of title 31.".

(2) The amendment made by subsection (a) shall apply with respect to the budgets submitted to Congress under section 1105 of title 31, United States Code, for fiscal years after fiscal year 1993.

(b) CONFORMING REPEAL.—Section 1404 of the National Defense Authorization Act of Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1675; 10 U.S.C. 114a note) is repealed.

SEC. 1003. ADDITIONAL TRANSITION AUTHORITY REGARDING CLOSING APPROPRIATION ACCOUNTS.

Section 1405(b) of the National Defense Authorization Act for Fiscal Year 1991 (31 U.S.C. 1551 note) is amended by inserting after paragraph (7) the following new paragraph:

"(8) OBLIGATIONS AND ADJUSTMENTS OF OBLIGATIONS FOR EXPIRED BUT NOT CLOSED ACCOUNTS.—(A) Subject to subparagraphs (B), (C), and (D), in the case of an appropriation account for a fiscal year before fiscal year 1992 for which the period of availability for obligation has expired but which has not been closed under the provisions of section 1552(a) of title 31, United States Code, or paragraph (4) of this section, an obligation and an adjustment of an obligation may be charged to any current appropriation account of the Department of Defense that is available for the same purpose as the expired account if—

"(i) the obligation would have been properly chargeable to the expired account before the end of the period of availability of that account; and

"(ii) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense.

"(B) The total amount charged to a current appropriation account under subparagraph (A) may not exceed an amount equal to the lesser of—

"(i) one percent of the total amount of the appropriations for that account; or

"(ii) one percent of the total amount of the appropriations for the expired account.

"(C) No obligation or adjustment of an obligation may be charged pursuant to the provisions of this paragraph until the congressional defense committees are notified of the intent to make such a charge and a period of 30 days elapses after the notification is submitted.

"(D) CERTIFICATIONS.—No obligation or adjustment of an obligation may be charged pursuant to the provisions of this paragraph until the Secretary of Defense certifies to Congress—

"(i) That the limitations on expending and obligating amounts established pursuant to section 1341 of title 31, United States Code are being observed within the Department of Defense; and

"(ii) That reports on any violations of section 1341, whether intentional or inadvertent, are being submitted to the President and Congress immediately and with all relevant facts and a statement of actions taken as required by section 1351 of title 31, United States Code.".

Subtitle B—Supplemental Authorization of Appropriations for Operation Desert Storm

SEC. 1011. EXTENSION OF SUPPLEMENTAL AUTHORIZATIONS.

Sections 101, 102(c), and 106 of Public Law 102-25 (105 Stat. 78) are each amended by striking out "fiscal years 1991 and 1992" each place it appears and inserting in lieu thereof "fiscal years 1991, 1992, and 1993".

SEC. 1012. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of Defense for fiscal year 1992 in accordance with subsection (a) of section 101 of Public Law 102-25 (105 Stat. 78), to be available under subsection (b)(1) of such section, the sum of $429,000,000 for military personnel as follows:

(1) ARMY.—For the Army, $399,000,000.

(2) NAVY.—For the Navy, $30,000,000.

(b) INCREASED LIMITATION ON AUTHORITY FOR TRANSFER OF FISCAL YEAR 1992 AUTHORIZATIONS.—The total amount of the transfer authority provided for the Secretary of Defense for fiscal year 1992 in Public Law 102-190 or any other Act is increased by the amounts of the funds appropriated pursuant to subsection (a) that are transferred to fiscal year 1992 appropriations accounts pursu-

ant to sections 101 and 102(c) of Public Law 102-25, as amended by section 1011.

SEC. 1013. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1993.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of Defense for fiscal year 1993 in accordance with subsection (a) of section 101 of Public Law 102-25 (105 Stat. 78), to be available under subsection (b) of such section, the sum of $87,700,000 for military personnel as follows:

(1) ARMY.—For the Army, $29,300,000.

(2) NAVY.—For the Navy, $35,300,000.

(3) MARINE CORPS.—For the Marine Corps, $3,100,000.

(4) AIR FORCE.—For the Air Force, $20,000,000.

(b) INCREASED LIMITATION ON AUTHORITY FOR TRANSFER OF FISCAL YEAR 1993 AUTHORIZATIONS.—The amount of the transfer authority provided in section 1001 is increased by the amounts of the funds appropriated pursuant to subsection (a) that are transferred to fiscal year 1993 appropriations accounts pursuant to sections 101 and 102(c) of Public Law 102-25, as amended by section 1011.

SEC. 1014. RELATIONSHIP TO OTHER AUTHORIZATIONS.

The authorizations of appropriations in sections 1012 and 1013 are in addition to the amounts otherwise authorized to be appropriated to the Department of Defense for fiscal year 1992 and for fiscal year 1993 by any other provision of this Act or by any other Act enacted before the date of the enactment of this Act.

Subtitle C—Defense Maritime Logistical Readiness

SEC. 1021. FINDINGS.

The Congress finds that it is in the national security and economic interests of the United States for the United States to have a strong and economically viable industry of commercial oceangoing and intermodal transportation that uses privately owned and operated merchant vessels documented under the laws of the United States.

SEC. 1022. TRANSPORTATION OF DEPARTMENT OF DEFENSE CARGOES BY WATER.

(a) USE OF PRIVATELY OWNED UNITED STATES FLAG VESSELS.—Chapter 157 of title 10, United States Code, is amended—

(1) by striking out section 2631;

(2) by striking out the item relating to that section in the table of sections for such chapter;

(3) by inserting above the table of sections the following:

"SUBCHAPTER II—MISCELLANEOUS";

and

(4) by inserting below the chapter heading the following:

"Subchapter	Sec.
"I. Transportation of Cargoes by Water	2631
"II. Miscellaneous	2632

"SUBCHAPTER I—TRANSPORTATION OF CARGOES BY WATER

"Sec.
"2631. Purposes.
"2631a. Definitions.
"2631b. Procurement regulations and practices.
"2631c. Contingency planning.
"2631d. Vessels used.
"2631e. Transportation contracts.
"2631f. Logistics readiness agreements.
"2631g. Charges.

"§ 2631. Purposes

"The purposes of this subchapter are—

"(1) to clarify when it is necessary for privately owned and operated United States flag vessels to be used for transporting Department of Defense cargoes by water;

"(2) to establish standards for the procurement and pricing of services for the transportation of Department of Defense cargoes by water and for the distribution of the cargoes so transported;

"(3) to reduce to a minimum the number of cargo transportation vessels owned, chartered, controlled, or operated by or for the United States Government that are used for transporting Department of Defense cargoes in peacetime in competition with privately owned and operated commercial vessels;

"(4) to encourage and promote the development and maintenance of a financially strong, privately owned and operated fleet of United States flag merchant vessels;

"(5) to make the greatest practicable use of the transportation capacity and services of operators of privately owned United States flag merchant vessels for the transportation of Department of Defense cargoes by water; and

"(6) to limit the acquisition, for ownership by the United States Government, of cargo vessels that would duplicate the shipping capacity of the privately owned United States flag merchant vessels.

"§ 2631a. Definitions

"In this subchapter:

"(1) The term 'Department of Defense cargo' means any supplies, goods, or other cargo owned, leased, or provided to, for, or by the armed forces that are transported by water or by intermodal service including a water segment, except that such term does not include military cargo designated by the Secretary of Defense as sensitive when private contractors proposing to carry such cargo do not have the security clearances necessary for carrying such cargo.

"(2) The term 'supplies', with respect to transportation, means all property, except land and interests in land, that at the time of transportation is readily identifiable for eventual use by the armed forces. Such term includes public works, buildings and facilities, ships, floating equipment, and vessels of every character, type, and description (together with parts, subassemblies, accessories, equipment, machine tools, and related material), stores of all kinds, and end items.

"(3) The term 'goods' includes property of armed forces personnel and items intended for eventual sale within a commissary or exchange store.

"(4) The term 'other cargo' includes any item that is provided by, arranged by, donated by, sold at less than market value by, or funded or purchased on credit provided or guaranteed by, or for which the transportation is funded or financially supported by, the Department of Defense for any other department or agency of the Federal Government, any foreign government, any international organization, or any person.

"§ 2631b. Procurement regulations and practices

"The Secretary of Defense shall prescribe regulations (including procedures) and establish practices for the procurement of transportation by water and related distribution services for Department of Defense cargoes. The regulations and practices shall carry out section 2631 of this title and the purposes set forth in that section. The Secretary shall administer the implementation of the regulations and the required practices.

"§ 2631c. Contingency planning

"(a) CONSIDERATION OF PRIVATE CAPABILITIES.—The Secretary of Defense shall ensure that all studies and reports of the Department of Defense, and all actions taken in the Department of Defense, concerning sealift and related intermodal transportation requirements take into consideration the full range of the transportation and distribution capabilities that are available from operators of privately owned United States flag merchant vessels.

"(b) PRIVATE CAPACITIES PRESENTATIONS.—The Secretary shall afford each operator of a vessel referred to in subsection (a), not less often than annually, an opportunity to present to the Department of Defense information on its port-to-port and intermodal transportation capacities.

"(c) PRIVATE PARTICIPATION IN STUDIES AND REPORTS.—The Secretary shall ensure that each operator of a vessel referred to in subsection (a) is afforded an opportunity to participate in the development of studies referred to in that subsection and the preparation of reports referred to in that subsection.

"(d) CERTIFICATION REQUIREMENT.—The Secretary shall submit to the Secretary of Transportation, not less often than annually, a certification of compliance with the requirements of subsections (b) and (c).

"§ 2631d. Vessels used

"(a) PROHIBITION.—Except in time of war, in time of a national emergency declared by the President or Congress, or as provided in subsection (b)(3), vessels owned by the United States may not be operated in competition with privately owned United States flag commercial merchant vessels.

"(b) VESSELS TO BE USED.—(1) Department of Defense cargoes shall be transported on privately owned and operated United States flag commercial merchant vessels whenever such vessels are available with reasonable timeliness.

"(2) A privately owned United States flag merchant vessel under time charter or voyage charter to, or engaged under a contract of affreightment by, the United States may be used for the transportation of a Department of Defense cargo to the extent that vessels described in paragraph (1) are not available with reasonable timeliness.

"(3) A United States flag vessel owned, demise chartered, or otherwise controlled by the United States Government may be used for the transportation by water of Department of Defense cargoes to the extent that vessels described in paragraphs (1) and (2) are not available with reasonable timeliness.

"(4) Foreign flag vessels may be used for the transportation of Department of Defense cargoes to the extent that vessels described in paragraphs (1), (2), and (3) are not available with reasonable timeliness or when operated as a feeder ship in conjunction with a privately owned and operated United States flag liner vessel.

"(5) The availability of vessels with reasonable timeliness shall be determined in accordance with regulations prescribed by the Secretary of Defense.

"§ 2631e. Transportation contracts

"(a) PROHIBITED CONTRACT PROVISIONS.—(1) A contract for the transportation of Department of Defense cargoes by water, or for intermodal service that includes transportation by water, by a common carrier may not include terms or conditions which impair the ability of the contractor to own or operate foreign flag vessels in addition to the United States flag merchant vessels.

"(2) Except as provided in section 2631f(a) of this title and except in time of war or in

time of a national emergency declared by the President or Congress, the contract may not include terms or conditions which interfere with the contractor's ability to meet its common carrier obligations to the general public.

"(b) INAPPLICABILITY OF FEE LIMITATION.—Section 2306(d) of this title shall not apply to contracts referred to in subsection (a).

"§ 2631f. Logistics readiness agreements

"(a) AGREEMENTS REQUIRED.—The Secretary of Defense shall enter into logistics readiness agreements with the contractors holding contracts referred to in section 2631e(a) of this title. The agreement with a contractor shall contain the terms and conditions under which the contractor shall, in time of war, national emergency, or foreign crisis, provide services to meet the transportation requirements projected under subsection (d). The agreement may also include provisions for the contractor to meet surge or other transportation requirements.

"(b) CAPACITY PROCURED.—(1) Except as provided in paragraph (2), the Secretary shall enter into logistics readiness agreements for capacity equal to at least the entire requirement projected under subsection (d).

"(2) The total capacity covered by logistics readiness agreements may be less than the capacity required by paragraph (1) to the extent that the contractors referred to in subsection (a) do not offer sufficient capacity to meet the entire requirement.

"(c) REQUIRED PROVISIONS.—A logistics readiness agreement shall contain the following provisions:

"(1) The basic terms for providing transportation and distribution services for Department of Defense cargoes.

"(2) The capacity and services guaranteed, including—

"(A) vessel transportation, intermodal services, and shoreside services; and

"(B) computer-tracking capabilities.

"(3) Provision for the negotiation, as needed, of additional terms and specific rates and charges for transportation and distribution services that become necessary to meet specific conditions of a war, national emergency, or foreign regional crisis.

"(d) COORDINATION OF POST-SURGE TRANSPORTATION REQUIREMENTS WITH THE SECRETARY OF TRANSPORTATION.—The Secretary of Defense shall submit to the Secretary of Transportation at least annually the Department of Defense projections of weekly post-surge requirements, in excess of normal peacetime requirements, for the transportation of Department of Defense cargoes to meet logistic and war fighting requirements in the event of war or other national emergency or in response to foreign regional crises.

"§ 2631g. Charges

"Notwithstanding any other provision of law, freight charges and other charges for services under a contract referred to in section 2631e of this title or a logistics readiness agreement referred to in section 2631f of this title shall be earned upon tender to and acceptance of the cargo by the contractor. If such amounts are not paid within 30 days after the submission of the contractor's invoice to the Department of Defense, a late payment charge shall accrue beginning on the thirty-first day after the date of the submission. The late payment charge shall accrue at the rate then in effect for interest payments under section 12 of the Contracts Disputes Act of 1978 (41 U.S.C. 611).".

(b) TRANSITION REQUIREMENT.—Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall commence negotiations with contractors holding contracts referred to in subsection (a) of section 2631e of title 10, United States Code (as added by subsection (a)), for the purpose of entering into logistics readiness agreements referred to in section 2631f of such title (as added by subsection (a)). Within 180 days after that date, the Secretary shall enter into such agreements as are mutually acceptable to the Secretary and the contractors concerned. Each agreement entered into pursuant to this subsection shall be for an initial term of not less than 5 years.

SEC. 1023. MODERNIZING OTHER PROGRAMS.

(a) REQUIRED ACTIONS.—The Secretary of Defense and the Secretary of Transportation shall promptly take such actions as are appropriate to modernize, update, revise, or eliminate the current Sealift Readiness Program consistent with this subtitle and the amendments made by section 1022(a).

(b) PROHIBITED ACTIONS.—No agency of the United States Government may require a party to a logistics readiness agreement referred to in section 2631f of title 10, United States Code (as added by section 1022(a)), to enter into or remain enrolled in the Sealift Readiness Program or any similar program as a condition for being awarded a contract to provide transportation or distribution services, whether or not such contract is covered by section 2631e of such title.

Subtitle D—Technical Amendments

SEC. 1031. AMENDMENTS TO TITLE 10, UNITED STATES CODE.

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

(1) The table of sections at the beginning of subchapter II of chapter 21 is amended by inserting "Sec." above "431.".

(2) Section 571(a) is amended by inserting a period at the end of each item in the table.

(3) Section 574(d)(3) is amended by striking out "active duty list" and inserting in lieu thereof "active-duty list".

(4) The heading of section 578 is amended by striking out the first semicolon and inserting in lieu thereof a colon.

(5) Section 581(d)(2) is amended by striking out "Board" both places it appears and inserting in lieu thereof "board".

(6) The table of sections at the beginning of chapter 33A is amended—

(A) by inserting "to be" in the item relating to section 576 after "Information"; and

(B) by striking out the first semicolon in the item relating to section 578 and inserting in lieu thereof a colon.

(7) Section 615 is amended—

(A) in subsection (b)(5), by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)"; and

(B) in subsection (d), by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)".

(8) Sections 616(a), 617(a), 618(a)(1), and 618(a)(2) are each amended by striking out "section 615(a)" and inserting in lieu thereof "section 615(b)".

(9) Section 618(b) is amended by striking out "section 615(b)" in paragraphs (2)(A) and (4) and inserting in lieu thereof "section 615(c)".

(10) Section 628(b)(1) is amended by striking out "section 558" and inserting in lieu thereof "section 573".

(11) Section 945(a)(1) is amended by striking out "section 943(e)(1)(B) of this title (art. 143(e)(1)(B))" and inserting in lieu thereof "section 942(e)(1)(B) of this title (article 142(e)(1)(B))".

(12) Section 1052(b) is amended by inserting a close parenthesis before the period at the end.

(13) Section 1079(j)(2)(B) is amended by inserting a close parenthesis after "1395x(dd)(2)".

(14) Section 1104 is amended—

(A) by striking out "section 5011 of title 38" in subsections (a), (b), and (c) and inserting in lieu thereof "section 8011 of title 38"; and

(B) by striking out "section 5011A of title 38" in subsection (d) and inserting in lieu thereof "section 8011A of title 38".

(15) Section 1174a(c)(2) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "December 5, 1991".

(16) Section 1175 is amended—

(A) in subsection (a), by striking out "Reserve component" and inserting in lieu thereof "reserve component"; and

(B) in subsection (d)(1), by striking out "prior to the time this provision is enacted" and inserting in lieu thereof "before December 5, 1991".

(17) Section 1263(a) is amended by striking out "564 note" and inserting in lieu thereof "580 note".

(18) Section 1401(a) is amended by striking out "564" in the column in the table under the heading "For sections" and inserting in lieu thereof "580".

(19) Section 1581(b) is amended by striking out "the date of the enactment of this section" in paragraphs (1) and (2) and inserting in lieu thereof "December 5, 1991,".

(20) Section 1592 is amended by inserting "section" after "established under".

(21) Section 1733(b)(1)(B)(ii) is amended by striking out "1736(a)(3)" and inserting in lieu thereof "1737(a)(3)".

(22) Chapter 106 is amended—

(A) in section 2131(c)—

(i) by striking out "section 1795 of title 38" in paragraph (2) and inserting in lieu thereof "section 3695 of title 38";

(ii) by striking out "of this subparagraph, his or her" in paragraph (3)(B)(ii) and inserting in lieu thereof ", the individual's"; and

(iii) by striking out "of this paragraph." in paragraph (3)(C) and inserting in lieu thereof a period;

(B) in section 2133(b)—

(i) by striking out "section 1431(f) of title 38" in paragraph (2) and inserting in lieu thereof "section 3031(f) of title 38"; and

(ii) by striking out "section 1431(d) of title 38" in paragraph (3) and inserting in lieu thereof "section 3031(d) of title 38"; and

(C) in section 2136—

(i) by striking out "sections 1670" in subsection (b) and all that follows through "1792)" and inserting in lieu thereof "sections 3470, 3471, 3473, 3474, 3476, 3482(g), 3483, and 3485 of title 38 and the provisions of subchapters I and II of chapter 36 of such title (with the exception of sections 3680(c), 3686(a), 3687, and 3692)"; and

(ii) by striking out "section 1673(b) of title 38)" in subsection (c)(1) and inserting in lieu thereof "section 3473(b) of title 38)".

(23) Section 2304(j)(3)(A) is amended by striking out "section 8(e) of the Small Business Act (15 U.S.C. 637(e))" and inserting in lieu thereof "section 8(d) of the Small Business Act (15 U.S.C. 637(d))".

(24) Section 2307(e) is amended by striking out "(1)" after "(e)" and inserting in lieu thereof "(1)".

(25)(A) Section 2322 is repealed.

(B) The table of sections at the beginning of chapter 137 is amended by striking out the item relating to section 2322.

(26) Section 2324 is amended—

(A) by striking out subsection (f)(5); and

(B) in subsection (l)—

(i) by striking out "subsection (e)(2)(C)" in paragraph (2) and inserting in lieu thereof "paragraph (3)"; and

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

"(3) The committees named in this paragraph are—

"(A) the Committees on Armed Services and on Government Operations of the House of Representatives; and

"(B) the Committees on Armed Services and on Governmental Affairs of the Senate.".

(27) Section 2372(e)(1) is amended by striking out "on the day before" and all that follows through the semicolon and inserting in lieu thereof "on December 4, 1991;".

(28) Section 2391(b)(1)(C) is amended by striking out "publicly-announced" and inserting in lieu thereof "publicly announced".

(29) Section 2397(a)(1) is amended by striking out "that contract" and inserting in lieu thereof "that the contract".

(30) Section 2409 is amended by striking out subsection (d).

(31) Section 2503(6) is amended by striking out "section 2508" and inserting in lieu thereof "section 2522".

(32) Section 2507(d)(3)(A) is amended by striking out "government-owned" and inserting in lieu thereof "Government-owned".

(33) Section 2509(b) is amended—

(A) in paragraph (1), by striking out "section 2508" and inserting in lieu thereof "section 2522"; and

(B) in paragraph (5)(B)(ii), by striking out "five-year defense program" and inserting in lieu thereof "multiyear defense program".

(34) Section 2701(j) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993" and inserting in lieu thereof "December 5, 1991,".

(35) Section 2708 is amended—

(A) in subsection (b)(1)—

(i) by striking out "all contracts" and inserting in lieu thereof "each contract"; and

(ii) by striking out "all subcontracts under such contracts" and inserting in lieu thereof "any subcontract under any such contract"; and

(B) in subsection (d), by striking out "For purposes of" and inserting in lieu thereof "In".

(36) Section 2801(d) is amended by striking out "sections 2828(g) and 2830" and inserting in lieu thereof "sections 2830 and 2835".

(37) Section 2902(b)(9) is amended by striking out "non-voting" and inserting in lieu thereof "nonvoting".

(38) Section 6325(b) is amended by striking out "section 602 or 5721" and inserting in lieu thereof "section 602 (as in effect before February 1, 1992) or section 5721".

(39) Section 8252 is amended—

(A) by striking out "(a) Except as provided in subsection (b), in" and inserting in lieu thereof "In"; and

(B) by striking out subsection (b).

(b) EFFECTIVE DATE.—(1) Except as provided paragraph (2), the amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) The amendment made by paragraph (30) of subsection (a) shall take effect as if enacted immediately following the enactment of Public Law 102-25 (105 Stat. 75).

SEC. 1032. CODIFICATION OF RECURRING PROVISION RELATING TO SUBCONTRACTING WITH CERTAIN NONPROFIT AGENCIES.

(a) POLICY.—Section 2301 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) It is also the policy of Congress that qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to provide approved commodities and services as subcontractors and suppliers under contracts awarded by the Department of Defense.

"(2) In this subsection:

"(A) The term 'qualified nonprofit agency for the blind or other severely handicapped' means—

"(i) a qualified nonprofit agency for the blind, as defined in section 5(3) of the Javits-Wagner-O'Day Act (41 U.S.C. 48b(3)); and

"(ii) a qualified nonprofit agency for other severely handicapped, as defined in section 5(4) of such Act (41 U.S.C. 48b(4)).

"(B) The terms 'approved commodity' and 'approved service' mean a commodity and a service, respectively, that has been determined by the Committee for Purchase from the Blind and Other Severely Handicapped under section 2 of such Act (41 U.S.C. 47) to be suitable for procurement by the Federal Government.

"(C) The term 'Javits-Wagner-O'Day Act' means the Act entitled 'An Act to create a Committee on Purchases of Blind-made Products, and for other purposes', approved June 25, 1938 (41 U.S.C. 46-48c), commonly referred to as the Wagner-O'Day Act, that was revised and reenacted in the Act of June 23, 1971 (85 Stat. 77), commonly referred to as the Javits-Wagner-O'Day Act.".

(b) CREDIT UNDER SMALL BUSINESS SUBCONTRACTING PLAN.—(1) Chapter 141 of title 10, United States Code, as amended by section 829, is further amended by adding at the end the following new section:

"§ 2410g. Subcontracting plans: credit for certain purchases

"(a) PURCHASES BENEFITING SEVERELY HANDICAPPED PERSONS.—In the case of a business concern that has negotiated a small business subcontracting plan with a military department or a Defense Agency, purchases made by that business concern from qualified nonprofit agencies for the blind or other severely handicapped shall count toward meeting the subcontracting goal provided in that plan.

"(b) DEFINITIONS.—In subsection (a):

"(1) The term 'small business subcontracting plan' means a plan negotiated pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) that establishes a goal for the participation of small business concerns as subcontractors under a contract.

"(2) The term 'qualified nonprofit agency for the blind or other severely handicapped' shall have the meaning given that term in section 2301(d)(2) of this title.

"(c) TERMINATION.—This section shall cease to be effective at the end of September 30, 1994.".

(2) The table of sections at the beginning of such chapter, as amended by section 829, is further amended by adding at the end the following new item:

"2410g. Subcontracting plans: credit for certain purchases.".

SEC. 1033. AMENDMENTS TO OTHER LAWS.

(a) PUBLIC LAW 102-190.—Effective as of December 5, 1991, the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190) is amended as follows:

(1) Section 232(b)(2) (105 Stat. 1321) is amended by striking out "United States and" and inserting in lieu thereof "United States and the".

(2) Section 234(a) (105 Stat. 1323) is amended by striking out "FOLLOW-ON" and inserting in lieu thereof "FOLLOW-ON".

(3) Section 702(b)(1)(C) (105 Stat. 1401) is amended by striking out "(15)(D)" and inserting in lieu thereof "(15)".

(4) Section 803(a)(1) (105 Stat. 1414) is amended by inserting open quotation marks at the beginning of the unquoted paragraphs (1), (2), and (3) (within the quoted material in such section).

(5) Section 806(c) (105 Stat. 1419) is amended by inserting a close parenthesis before the period at the end.

(6) Section 822(d)(1) (105 Stat. 1435) is amended by striking out "To the extent provided" and inserting in lieu thereof "Subject to such limitations as may be provided".

(7) Section 1049(b) (105 Stat. 1469) is repealed.

(8) Section 1063(d)(1) (105 Stat. 1476) is amended by striking out "of Public Law 101-25" and inserting in lieu thereof "of Public Law 102-25".

(9) Section 2870(2) (105 Stat. 1562) is amended by inserting "through" after "and all that follows".

(b) PUBLIC LAW 102-25.—Section 361(d) of Public Law 102-25 (105 Stat. 93) is amended by striking out "section 4108(e) of title 38," and inserting in lieu thereof "section 7423(e) of title 38,".

(c) MENTOR-PROTEGE PILOT PROGRAM.—Section 831(m) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended—

(1) in paragraph (2)(C), by striking out "637(a)(13)" and inserting in lieu thereof "637(a)(15)";

(2) by redesignating the second paragraph (6) and paragraph (7) as paragraphs (7) and (8), respectively; and

(3) in paragraph (8), as so redesignated, by striking out "section 46 of title 41, United States Code," and inserting in lieu thereof "the first section of the Act of June 25, 1938 (41 U.S.C. 46; popularly known as the 'Wagner-O'Day Act'),".

(d) TITLE 31, UNITED STATES CODE.—

(1) The items relating to sections 1551 and 1552 in the table of sections at the beginning of chapter 15 of title 31, United States Code, are amended to read as follows:

"1551. Definitions; applicability of subchapter.

"1552. Procedure for appropriation accounts available for definite periods.".

(2) The heading of section 1551 of such title is amended to read as follows:

"§ 1551. Definitions; applicability of subchapter".

(e) PUBLIC LAW 101-533.—Section 3(c)(2) of Public Law 101-533 (22 U.S.C. 3142) is amended by striking out "section 2368 of title 10" and inserting in lieu thereof "section 2522 of title 10".

SEC. 1034. MISCELLANEOUS TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended as follows:

(1) Section 301d(c) is amended—

(A) in paragraph (2), by striking out "owned" and inserting in lieu thereof "owed"; and

(B) in paragraph (3), by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1991" and inserting in lieu thereof "November 5, 1990".

(2) Section 303a(b) is amended by striking out "301d," after "such sections".

(3) Section 406(g)(1)(A) is amended by inserting a semicolon after "title 10".

(4) Section 406b(d) by striking out "Section 420" and inserting in lieu thereof "Section 421".

(5) Section 559(c)(3)(A)(i) is amended by striking out "of this subparagraph".

(6) Section 1007(i)(3) is amended by striking out "and warrant officers" and inserting in lieu thereof ", warrant officers, and limited duty officers".

(b) REPEAL OF OBSOLETE PROVISION.—Section 301b of title 37, United States Code, is amended—

(1) by striking out subsection (j); and

(2) by redesignating subsection (k) as subsection (j).

(c) BASE CLOSURE ACT.—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—

(1) in section 2903(c)(4)—

(A) by striking out "(4)" the first place it appears; and

(B) by striking out the first sentence; and

(2) in section 2906, by striking out "(d) ACCOUNT" and inserting in lieu thereof "(e) ACCOUNT".

Subtitle E—Miscellaneous Matters

SEC. 1041. REPORT ON THE UNITED STATES STRATEGIC POSTURE IN THE MIDDLE EAST AND PERSIAN GULF REGION.

(a) REQUIREMENT FOR REPORT.—Not later than February 1, 1993, the Secretary of Defense shall submit to the congressional defense committees a report on the United States strategic posture in the Middle East and Persian Gulf region.

(b) CONTENT OF REPORT.—The report shall include a description of the following matters:

(1) The adequacy of United States power projection forces, strategic lift, forward deployed forces, prepositioned materiel, and force sustainability capabilities for protecting United States strategic interests in the Middle East and the Persian Gulf region and to ensure the security of Israel, Egypt, and Persian Gulf states friendly to the United States.

(2) United States policy, plans, and programs for ensuring Israel's military and technological superiority over potential threats.

(3) United States capabilities for assisting Israel in a military emergency and the adequacy of United States military assistance and technology transfer for ensuring that Israel has the capability to deter war and to defend its territory with minimal risk and loss of life.

(4) The state of strategic cooperation between the United States and Israel, including—

(A) a thorough assessment of options for prepositioning in Israel appropriate defense articles for use by the United States in the region; and

(B) an assessment of United States policies, plans, and programs for ensuring that maximum advantage is taken of Israel's strategic location and Israel's ability to provide unique options regarding military technologies and production.

(5) The adequacy of United States power projection forces, military assistance, arms transfers, and cooperation arrangements for ensuring that Egypt, as the leading Arab democracy and a key partner in the Camp David accords, is secure against outside threats and can play a major role in regional security efforts with the United States.

(6) The adequacy of United States power projection forces, military assistance, and arms transfers for protecting the Gulf Cooperation Council States.

(7) The adequacy of the capabilities of the United States and countries friendly to the United States for deterring and defending against long-range missile threats and the use of weapons of mass destruction in the Middle East and the Persian Gulf region.

(c) INTELLIGENCE ASSESSMENT.—As part of the report submitted pursuant to subsection (a), the Secretary of Defense shall provide a military threat assessment for the Middle East and Persian Gulf region. The intelligence assessment shall include a description of—

(1) the overall military threat to United States strategic interests in the Persian Gulf region;

(2) the overall military threat to Israel and the military threats to Israel from individual countries, including an assessment of the Arab-Israeli military balance and a discussion of the changes taking place in that balance;

(3) the military threats to Egypt;

(4) the military threats to the Gulf Cooperation Council States; and

(5) the threats to United States interests and to regional States friendly to the United States that result from the proliferation of long-range missiles and weapons of mass destruction.

(d) FORM OF REPORT.—The report may be submitted in classified and unclassified forms.

SEC. 1042. STUDY OF PROVIDING FORWARD PRESENCE OF NAVAL FORCES DURING PEACETIME.

(a) ANALYSIS REQUIRED.—The Secretary of Defense shall conduct an analysis of options for providing forward presence of naval forces during peacetime. The analysis shall include an evaluation of the following considerations:

(1) The requirements of the commanders of the combatant commands for providing naval forces for forward peacetime presence.

(2) The capacity of alternative groups of naval forces, including aircraft carriers, large amphibious ships, and large surface combatants, to fulfill the forward presence mission.

(3) Potential locations and associated costs for homeporting additional aircraft carriers or other naval forces overseas.

(4) Estimated operations cost differentials for supporting forward naval operations.

(5) Estimated investment cost differentials for supporting forward naval operations.

(6) Potential availability of facilities for supporting forward naval operations.

(7) Potential host nation support or other offset contributions.

(b) REPORT.—The Secretary of Defense shall submit to the congressional defense committees a report on the analysis required by subsection (a). Funds appropriated or otherwise made available to the Department of Defense for fiscal year 1994 may not be obligated for the aircraft carrier replacement program until the Secretary of Defense submits the report to the congressional defense committees.

SEC. 1043. PROHIBITION ON CONTRACTING WITH SUPPORTERS OF THE SECONDARY ARAB BOYCOTT OF ISRAEL.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, as amended by section 1032, is further amended by adding at the end the following new section:

"§ 2410h. Prohibition on contracting with supporters of the secondary Arab boycott of Israel

"(a) Under section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

"(b)(1) Consistent with the policy referred to in subsection (a), no Department of Defense prime contract in excess of the small purchase threshold, as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), may be awarded to a foreign person, foreign company, or other foreign entity unless that person, company, or entity certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel.

"(2) The Secretary of Defense may waive the prohibition in paragraph (1) in specific instances when the Secretary determines that the waiver is necessary in the national security interests of the United States. Within 15 days after the end of each calendar quarter, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this paragraph during such quarter.

"(c) Subsection (b) does not apply to contracts for consumable supplies, provisions, or services that are intended to be used for the support of the United States or of allied forces in a foreign country, or to contracts pertaining to the use of any equipment, technology, data, or services for intelligence or classified purposes, or to the acquisition or lease of any such equipment, technology, data, or services, by the United States Government in the interests of national security.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter, as amended by section 1032, is further amended by inserting after the item relating to section 2410d the following:

"2410h. Prohibition on contracting with supporters of the secondary Arab boycott of Israel.".

SEC. 1044. EMPLOYMENT AUTHORITY REGARDING CIVILIAN FACULTY MEMBERS OF THE DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER.

(a) IN GENERAL.—Section 4021 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "or the United States Army Command and General Staff College" and inserting in lieu thereof ", the United States Army Command and General Staff College, and the Defense Language Institute Foreign Language Center"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) APPLICATION TO CERTAIN FACULTY MEMBERS.—This section shall not apply with respect to professors, instructors, and lecturers employed at the Army War College or the United States Army Command and General Staff College if the duration of the principal course of instruction offered at the respective college is less than 10 months.".

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

"§ 4021. Army War College, United States Army Command and General Staff College, and Defense Language Institute Foreign Language Center: civilian faculty members".

(2) The item relating to such section in the table of sections for chapter 373 of such title is amended to read as follows:

"4021. Army War College, United States Army Command and General Staff College, and Defense Language Institute Foreign Language Center: civilian faculty members.".

(c) APPLICABILITY.—(1) Except as provided in paragraph (2), section 4021 of title 10, United States Code, shall not apply to a person who was employed as a professor, instructor, or lecturer at the Army War College or the United States Army Command and General Staff College before February 28, 1990.

(2) In the case of a person referred to in paragraph (1) who terminates employment as a professor, instructor, or lecturer at an institution referred to in that paragraph on or after February 28, 1990, section 4021 of title 10, United States Code, shall apply with respect to the employment of such person after that date as a professor, instructor, or lecturer at an institution other than the institution or institutions where that person was employed before that date.

(d) SAVINGS PROVISION.—In the case of a person who, on the day before the date of the enactment of this Act, is employed as a professor, instructor, or lecturer at the Defense Language Institute Foreign Language Center, the Secretary of the Army shall afford the person an opportunity to elect to be paid under the compensation plan authorized by subsection (b) of section 4021 of title 10, United States Code, or to continue to be paid under the General Schedule (with no reduction in pay) under section 5332 of title 5, United States Code.

SEC. 1045. ELECTION OF LEAVE OR LUMP-SUM PAYMENT FOR CERTAIN EMPLOYEES WHO MOVED BETWEEN NONAPPROPRIATED FUND EMPLOYMENT AND DEPARTMENT OF DEFENSE OR COAST GUARD EMPLOYMENT BEFORE APRIL 16, 1991.

(a) ELECTION OF LEAVE OR PAYMENT.—An employee referred to in subsection (b) of section 6308 of title 5, United States Code, who moved between a position referred to in the first sentence of that subsection and a position referred to in the second sentence of that subsection after December 31, 1986, and before April 16, 1991, shall be permitted to elect—

(1) to repay the lump-sum payment received under section 5551(a) of that title in lieu of annual leave and have the annual leave recredited to the employee's leave account; or

(2) to keep the lump-sum payment in lieu of that annual leave.

(b) DEADLINE FOR ELECTION.—An employee shall make an election authorized by subsection (a) within 90 days after receiving a written notification of the provisions of this section from the head of the agency currently employing the employee. An employee who does not make the election within that 90-day period shall be considered to have elected to keep the lump-sum payment.

(c) REPAYMENT OF LUMP-SUM PAYMENT.—An employee who elects to repay the lump-sum payment shall make the repayment not later than 2 years after the date of the election. The repayment by an employee shall be made in one payment of the entire amount of the lump-sum payment received by that employee in lieu of annual leave.

(d) LEAVE CREDITS.—Upon repayment of the lump-sum payment received by an employee, the employee shall be recredited with the annual leave associated with the lump-sum payment. The accounting for the recredited leave shall be separate from the accounting for other leave. Recredited annual leave shall be available until the first day of the third leave year following the leave year in which the leave is recredited.

SEC. 1046. FEDERAL CHARTER FOR MILITARY ORDER OF WORLD WARS.

(a) FEDERAL CHARTER.—The Military Order of the World Wars, a nonprofit corporation organized under the laws of the District of Columbia (in this section referred to as the "corporation"), is recognized as such and is granted a Federal charter.

(b) OBJECTS AND PURPOSES.—The objects and purposes of the corporation are those provided in its bylaws and articles of incorporation and shall include the following:

(1) Promoting military service associations.

(2) Promoting patriotic education and military, naval, and air science.

(3) Defending the honor and integrity of the Federal Government and the Constitution.

(4) Fostering fraternal relations among all branches of the Armed Forces.

(5) Encouraging the adoption of a suitable policy of national security.

(6) Encouraging the commemoration of military service and the establishment of war memorials.

(c) PROHIBITION AGAINST DISCRIMINATION.—In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age, or national origin.

(d) RESTRICTIONS.—(1) The corporation may not make any loan to any officer, director, or employee of the corporation.

(2) The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

(3) The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities.

(e) AUDIT OF FINANCIAL TRANSACTIONS.—The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end the following: "(75) The Military Order of World Wars.".

(f) ANNUAL REPORT.—The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by subsection (e). The report shall not be printed as a public document.

(g) TAX-EXEMPT STATUS.—The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this section shall expire.

(h) TERMINATION.—The charter granted by this section shall expire if the corporation fails to comply with—

(1) any restriction or other provision of this section;

(2) any provision of its bylaws or articles of incorporation; or

(3) any provision of the laws of the District of Columbia that apply to corporations such as the corporation recognized under this section.

SEC. 1047. FEDERAL CHARTER FOR RETIRED ENLISTED ASSOCIATION, INCORPORATED.

(a) FEDERAL CHARTER.—The Retired Enlisted Association, Incorporated, a nonprofit corporation organized under the laws of the State of Colorado, is recognized as such and is granted a Federal charter.

(b) POWERS.—The Retired Enlisted Association, Incorporated, (in this section referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State in which it is incorporated and subject to the laws of such State.

(c) OBJECTS AND PURPOSES.—The objects and purposes of the corporation are those provided in its bylaws and articles of incorporation and shall include—

(1) upholding and defending the Constitution of the United States;

(2) promoting health, prosperity, and scholarship among its members and their dependents and survivors through benevolent programs;

(3) assisting veterans and their dependents and survivors through a service program established for that purpose;

(4) improving conditions for retired enlisted service members, veterans, and their dependents and survivors; and

(5) fostering fraternal and social activities among its members in recognition that cooperative action is required for the furtherance of their common interests.

(d) SERVICE OF PROCESS.—With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

(e) MEMBERSHIP.—Except as provided in subsection (h), eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the articles of incorporation and bylaws of the corporation.

(f) BOARD OF DIRECTORS.—Except as provided in subsection (h), the composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

(g) OFFICERS OF CORPORATION.—Except as provided in subsection (h), the positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

(h) PROHIBITION AGAINST DISCRIMINATION.—In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of the directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age or national origin.

(i) RESTRICTIONS.—(1) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this paragraph shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(2) The corporation may not make any loan to any officer, director, or employee of the corporation.

(3) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(4) The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities by virtue of this section.

(j) LIABILITY.—The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

(k) BOOKS AND RECORDS.—The corporation shall keep correct and complete books and

records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this subsection shall be construed to contravene any applicable State law.

(l) AUDIT OF FINANCIAL TRANSACTIONS.—The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law," approved August 30, 1964 (36 U.S.C. 1101), as amended by section 1046 of this Act, is further amended by adding at the end the following:

"(76) The Retired Enlisted Association, Incorporated.".

(m) ANNUAL REPORT.—The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by section 2 of the Act referred to in subsection (l). The report shall not be printed as a public document.

(n) RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER.—The right to alter, amend, or repeal this section is expressly reserved to the Congress.

(o) TAX-EXEMPT STATUS.—The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this section shall expire.

(p) EXCLUSIVE RIGHTS TO NAMES.—The corporation shall have the sole and exclusive right to use the names "The Retired Enlisted Association, Incorporated", "The Retired Enlisted Association", "Retired Enlisted Association", and "TREA", and such seals, emblems, and badges as the corporation may lawfully adopt. Nothing in this subsection may be construed to conflict or interfere with rights that are established or vested before the date of the enactment of this Act.

(q) TERMINATION.—If the corporation fails to comply with any of the restrictions or provisions of this section, the charter granted by this section shall expire.

(r) DEFINITION.—For purposes of this section, the term "State" includes 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.

SEC. 1048. PROGRAM TO COMMEMORATE WORLD WAR II.

(a) IN GENERAL.—The Secretary of Defense may, during fiscal years 1993 through 1995, conduct a program to commemorate the 50th anniversary of World War II and to coordinate, support, and facilitate other such commemoration programs and activities of the Federal Government, State and local governments, and other persons.

(b) USE OF FUNDS.—During fiscal years 1993 through 1995, funds authorized to be appropriated to the Department of Defense for operation and maintenance of Defense Agencies shall be available to conduct the program referred to in subsection (a).

(c) PROGRAM ACTIVITIES.—The program referred to in subsection (a) may include activities and ceremonies—

(1) to provide the people of the United States with a clear understanding and appreciation of the lessons and history of World War II;

(2) to thank and honor veterans of World War II and their families;

(3) to pay tribute to the sacrifices and contributions made on the home front by the people of the United States;

(4) to foster an awareness in the people of the United States that World War II was the central event of the 20th century that defined the postwar world;

(5) to highlight advances in technology, science, and medicine related to military research conducted during World War II;

(6) to inform wartime and postwar generations of the contributions of the Armed Forces of the United States to the United States;

(7) to recognize the contributions and sacrifices made by World War II allies of the United States; and

(8) to highlight the role of the Armed Forces of the United States, then and now, in maintaining world peace through strength.

(d) AUTHORITY OF THE SECRETARY.—(1) The Secretary of Defense may, in accordance with regulations prescribed by the Secretary, authorize the manufacture, reproduction, use, sale, or distribution of logos, trademarks, seals, and similar items for the program referred to in subsection (a), and grant exclusive or nonexclusive licenses for such purposes.

(2) The Secretary may, in furtherance of the program referred to in subsection (a) and in accordance with regulations prescribed by the Secretary, grant exclusive or nonexclusive licenses for any copyrighted material for which the Secretary holds an exclusive license or owns the copyright as transferred through assignment, bequest, or otherwise. Notwithstanding any other provision of law, any proceeds received as a result of these activities shall be deposited into the account established by subsection (e).

(e) ESTABLISHMENT OF ACCOUNT.—(1) There is established in the Treasury of the United States an account to be known as the "Department of Defense 50th Anniversary of World War II Commemoration Account" which shall be administered by the Secretary of Defense as a single account. There shall be deposited into the account all proceeds derived from activities described in subsection (d).

(2) The Secretary may use the funds in the account established in paragraph (1) only for the purpose of conducting the program referred to in subsection (a).

(3) Not later than 60 days after the termination of the authority of the Secretary to conduct the commemoration program referred to in subsection (a), the Secretary shall transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing an accounting of all the funds deposited into and expended from the account or otherwise expended under this section, and of any amount remaining in the account. Unobligated funds which remain in the account after termination of the authority of the Secretary under this section shall be held in the account until transferred by law after the Committees receive the report.

(f) PROVISION OF VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, United States Code, the Secretary of Defense may accept from any person voluntary services to be provided in furtherance of the program referred to in subsection (a).

(2) A person providing voluntary services under this subsection shall be considered an employee of the Federal Government for the purpose of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries, and for the purpose of chapter 176 of title 28, United States Code, relating to tort claims. Such a person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purpose by reason of the provision of such services.

(3) The Secretary of Defense may provide for reimbursement of incidental expenses which are incurred by a person providing voluntary services under this subsection. The Secretary of Defense shall determine which expenses are eligible for reimbursement under this paragraph.

SEC. 1049. ELIMINATION OF REPORTS REQUIRED BY LAW.

(a) UNDER TITLE 10.—(1) Section 673(b) of title 10, United States Code, is amended by striking out the last sentence.

(2) Section 2362 of such title is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(3) Section 2401 of such title is amended—

(A) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Secretary may make a contract described in subsection (a)(1) if—

"(1) the Secretary has been specifically authorized by law to make the contract; and

"(2) the Secretary determines that such a lease is warranted based on an analysis of the cost to the United States (including lost tax revenue) of any such lease or charter arrangement compared with the cost to the United States of direct procurement of the aircraft or naval vessel by the United States.";

(B) by striking out subsection (e); and

(C) by redesignating subsection (f) as subsection (e).

(4) Section 2672a(b) of such title is amended by striking out the last sentence.

(5) Section 2823 of such title is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(6) Section 2854 of such title is amended—

(A) in subsection (a), by striking out "(a) Subject to subsection (b), the Secretary" and inserting in lieu thereof "The Secretary"; and

(B) by striking out subsection (b).

(7)(A) Section 2861 of such title is repealed.

(B) The table of sections at the beginning of chapter 169 of such title is amended by striking out the item relating to section 2861.

(8) Section 2864(b) of such title is amended by striking out "after the 21-day period" and all that follows and inserting in lieu thereof a period.

(9) Section 7308 of such title is amended by striking out subsection (c).

(10) Section 7309(b) of such title is amended by striking out the last sentence.

(b) REPEAL OF COMPARABLE BUDGETING REQUIREMENT.—(1) Section 2217 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2217.

(c) UNDER TITLE 37.—Section 1008(a) of title 37, United States Code, is amended by striking out the last sentence.

(d) UNDER OTHER LAWS.—(1) Section 18(a) of the Military Selective Service Act (50 U.S.C. App. 468(a)) is amended by striking out ", except that no order" in the first sentence and all that follows through the end of the second sentence and inserting in lieu thereof a period.

(2) Section 112 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1037) is amended by striking out subsection (c).

(3) Section 1309 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 10 U.S.C. 113 note) is repealed.

SEC. 1050. LIMITATION ON USE OF EXCESS CONSTRUCTION OR FIRE EQUIPMENT FROM DEPARTMENT OF DEFENSE STOCKS IN FOREIGN ASSISTANCE OR MILITARY SALES PROGRAMS.

(a) LIMITATION.—Excess construction or fire equipment from the stocks of the Department of Defense may be transferred to any foreign country or international organization pursuant to part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2301 et seq.) or section 21 of the Arms Export Control Act (22 U.S.C. 2761) only if—

(1) no department or agency of the Federal Government other than the Department of Defense and no State submits to the Defense Reutilization and Marketing Service a request for such equipment during the period for which the Defense Reutilization and Marketing Service accepts such a request; or

(2) the President determines that the transfer is necessary in order to respond to an emergency for which the equipment is especially suited.

(b) RULE OF CONSTRUCTION.—Nothing in subsection (a) shall be construed to limit the authority to transfer construction or fire equipment under section 2547 of title 10, United States Code.

(c) DEFINITION.—In this section, the term "construction or fire equipment" includes tractors, scrapers, loaders, graders, bulldozers, dump trucks, generators, pumpers, fuel and water tankers, crash trucks, utility vans, rescue trucks, ambulances, hook and ladder units, compressors, and miscellaneous fire fighting equipment.

SEC. 1051. RESTRICTION ON OBLIGATION OF FUNDS FOR NEW MUSEUMS.

(a) PROHIBITION ON OBLIGATION OF FUNDS FOR CERTAIN NEW MUSEUMS.—Except as provided in subsection (b), funds appropriated or otherwise made available to the Department of Defense for fiscal year 1992 may not be obligated for the purposes of—

(1) the construction or capitalization of—

(A) the National D-Day Museum;

(B) the Airborne and Special Operations Museum; or

(C) the Naval Undersea Museum; or

(2) the renovation of the submarine U.S.S. Blueback for the Oregon Museum of Science and Industry.

(b) EXCEPTION.—The funds referred to in subsection (a) may be obligated for the purpose specified for a museum referred to in that subsection if, with respect to that museum, the Secretary of Defense certifies to Congress that—

(1) the use of Department of Defense funds for that museum is of a higher priority than the use of such funds for the expansion of any existing Department of Defense museum;

(2) in authorizing construction of a new Department of Defense museum, the Secretary would select that museum as one of the Secretary's first four choices for the construction of such a new museum; and

(3) the use of Department of Defense funds for that purpose would make a unique contribution to the mission of the military departments.

SEC. 1052. ARMY MILITARY HISTORY FELLOWSHIP PROGRAM.

(a) IN GENERAL.—Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4316. Military history fellowships

"(a) FELLOWSHIPS.—The Secretary of the Army shall prescribe regulations under which the Secretary may award fellowships in military history of the Army to the persons described in subsection (b).

"(b) ELIGIBLE PERSONS.—The persons eligible for awards of fellowships under this section are citizens and nationals of the United States who—

"(1) are graduate students in United States military history;

"(2) have completed all requirements for a doctoral degree other than preparation of a dissertation; and

"(3) agree to prepare a dissertation in a subject area of military history determined by the Secretary.

"(c) REGULATIONS.—The regulations prescribed under this section shall include—

"(1) the criteria for award of fellowships;

"(2) the procedures for selecting recipients;

"(3) the basis for determining the amount of a fellowship; and

"(4) the total amount that may be awarded as fellowships during an academic year.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4315 the following:

"4316. Military history fellowships.".

SEC. 1053. TRANSFER OF CERTAIN VESSELS.

The Secretary of the Navy shall transfer to the Department of Transportation the following vessels, to be assigned as training ships to Texas A&M University at Galveston, Texas, and to the Maine Maritime Academy at Castine, Maine, on the date of the decommissioning of such vessels:

(1) The U.S.N.S. Chauvenet (T–AG–29).

(2) The U.S.N.S. Harkness (T–AG–32).

SEC. 1054. REPEAL OF REQUIREMENT FOR CONSTRUCTION OF COMBATANT AND ESCORT VESSELS IN NAVY YARDS.

(a) REPEAL.—Subsection (a) of section 7299a of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—Subsections (b), (c), and (d) of section 7299a of title 10, United States Code, are redesignated as subsections (a), (b), and (c), respectively.

SEC. 1055. COOPERATIVE MILITARY AIRLIFT AGREEMENTS.

(a) LIQUIDATION OF CREDITS AND LIABILITIES.—Section 2350c(a)(2) of title 10, United States Code, is amended by striking out all after "liquidated" and inserting in lieu thereof "as agreed upon by the parties. Liquidation shall be either by direct payment to the country that has provided the greater amount of transportation or by the providing of in-kind transportation services to that country. The liquidation shall occur on a regular basis, but not less often than once every 12 months.".

(b) COUNTRIES ELIGIBLE FOR COOPERATIVE AGREEMENTS.—Section 2350c(e)(1) of such title is amended by striking out "or New Zealand" and inserting in lieu thereof ", New Zealand, Japan, and the Republic of Korea".

SEC. 1056. SPECIAL OPERATIONS FORCES.

(a) GRADE FOR CERTAIN COMMANDERS.—Section 1311(e) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 167 note) is amended by inserting after "the United States Pacific Command," the following: "the United States Southern Command, the United States Central Command,".

(b) REPEAL OF DUPLICATIVE PROVISIONS.—Subsections (c), (d), and (e) of section 9115 of Public Law 99–500 and subsections (c), (d), and (e) of section 9115 of Public Law 99–591 are repealed.

SEC. 1057. PERMANENT AUTHORITY TO PAY CERTAIN EXPENSES OF PERSONNEL OF DEVELOPING COUNTRIES FOR ATTENDANCE AT BILATERAL OR REGIONAL COOPERATION CONFERENCES.

Subsection (e) of section 1051 of title 10, United States Code, is repealed.

SEC. 1058. UNITED STATES COURT OF MILITARY APPEALS AMENDMENTS.

(a) UNIFIED FEDERAL RETIREMENT FOR JUDGES.—(1) Section 945 (article 145) of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) A person appointed as a judge of the United States Court of Military Appeals shall be subject to the Federal Employees' Retirement System as of the date of the appointment.

"(2) Section 302 of the Federal Employees' Retirement System Act of 1986 (5 U.S.C. 8331 note) shall apply to a judge of the United States Court of Military Appeals who is subject to the Civil Service Retirement and Disability System on the day before the date on which the judge becomes subject to the Federal Employees' Retirement System under this section. In the application of section 302 of that Act to such judge, the judge shall be treated as having made an election under section 301 of that Act to become subject to the Federal Employees' Retirement System effective as of that date.

"(3) In this section:

"(A) The term 'Federal Employees' Retirement System' means the provisions of chapter 84 of title 5.

"(B) The term 'Civil Service Retirement and Disability System' means the provisions of subchapter III of chapter 83 of title 5.".

(2) The amendment made by paragraph (1) shall apply to persons who are appointed as judges of the United States Court of Military Appeals on or after the date of the enactment of this Act.

(3)(A) The amendment made by paragraph (1) shall also apply in accordance with this paragraph to judges of the United States Court of Military Appeals who served in regular active service as such on or after November 29, 1989, and before the date of the enactment of this Act.

(B) Except as provided in subparagraph (C), a judge referred to in subparagraph (A) shall be subject to the Federal Employees' Retirement System as of the later of November 29, 1989, or the date of the judge's appointment as a judge of the United States Court of Military Appeals.

(C) A judge referred to in subparagraph (B) who, on the day before the date as of which the judge would become subject to the Federal Employees' Retirement System under that subparagraph, was subject to the Civil Service Retirement and Disability System may elect to continue to be subject to the Civil Service Retirement and Disability System instead of the Federal Employees' Retirement System. A judge making that election shall submit the election in writing to the Director of the Office of Personnel Management within 10 days after the date of the enactment of this Act. The election is irrevocable.

(D) A judge who does not make an election pursuant to subparagraph (C)—

(i) shall receive a lump sum refund from the Civil Service Retirement and Disability Fund equal to the difference between the total amount deducted and withheld from the pay of the judge under section 8334 of title 5, United States Code, during the service as a judge of the court on and after November 29, 1989, and before the date of the enactment of this Act and the total amount

that would have been deducted and withheld from the pay of the judge under section 8422 of such title during that service if the judge had been subject to the provisions of chapter 84 of that title during such service; and

(ii) may, within 2 years after the date of the enactment of this Act, deposit in the Thrift Savings Fund any amount not exceeding the difference between the total amount that the judge could have contributed to the Fund under section 8432(a) of title 5, United States Code, during the service referred to in clause (i) and the amount, if any, that was contributed to the Fund by the judge under section 8351 of such title during that service.

(E) A lump sum contribution shall be made to the Thrift Savings Fund in accordance with section 8432(c) of title 5, United States Code, for a deposit made by a judge pursuant to subparagraph (D)(ii). The amount of the contribution shall be equal to the total amount of the contribution that would have been made under that section during the service covered by the deposit if the total amount deposited had been deducted and withheld from the pay of the judge for contribution to the Thrift Savings Fund under section 8432(a) of that title in equal amounts monthly during that service. The lump sum contribution shall be made out of funds available for the pay of judges of the United States Court of Military Appeals for the fiscal year in which the deposit is made.

(F) Amounts deposited in the Thrift Savings Fund pursuant to subparagraphs (D)(ii) and (E) shall be deemed not to cause the contributions made to that Fund by or for a judge in the year of the deposit to exceed any limitation referred to in section 8432(d) or 8440(a)(3) of title 5, United States Code.

(G) In this paragraph:

(i) The term "Federal Employees' Retirement System" means the provisions of chapter 84 of title 5, United States Code.

(ii) The term "Civil Service Retirement and Disability System" means the provisions of subchapter III of chapter 83 of such title.

(b) CHIEF JUDGE.—(1) Section 943(a) (article 143(a)) of title 10, United States Code, is amended to read as follows:

"(a) CHIEF JUDGE.—(1) The chief judge of the United States Court of Military Appeals shall be the judge of the court in regular active service who is senior in commission among the judges of the court who—

"(A) have served for one or more years as judges of the court; and

"(B) have not previously served as chief judge.

"(2) In any case in which there is no judge of the court in regular active service who has served as a judge of the court for at least one year, the judge of the court in regular active service who is senior in commission and has not served previously as chief judge shall act as the chief judge.

"(3) Except as provided in paragraph (4), a judge of the court shall serve as the chief judge under paragraph (1) for a term of 5 years. If no other judge is eligible under paragraph (1) to serve as chief judge upon the expiration of that term, the chief judge shall continue to serve as chief judge until another judge becomes eligible under that paragraph to serve as chief judge.

"(4)(A) The term of a chief judge shall be terminated before the end of 5 years if—

"(i) the chief judge leaves regular active service as a judge of the court; or

"(ii) the chief judge notifies the other judges of the court in writing that such judge desires to be relieved of his duties as chief judge.

"(B) The effective date of a termination of the term under subparagraph (A) shall be the date on which the chief judge leaves regular active service or the date of the notification under subparagraph (A)(ii), as the case may be.

"(5) If a chief judge is temporarily unable to perform his duties as a chief judge, the duties shall be performed by the judge of the court in active service who is present, able and qualified to act, and is next in precedence.".

(2) For purposes of section 943(a) of title 10, United States Code, as amended by paragraph (1)—

(A) the person serving as the chief judge of the United States Court of Military Appeals on the date of the enactment of this Act shall be deemed to have been designated as the chief judge under such section; and

(B) the 5-year term provided in paragraph (3) of such section shall be deemed to have begun on the date on which such judge was originally designated as the chief judge under section 867(a) or 943 of title 10, United States Code, as the case may be, as that provision of law was in effect on the date of the designation.

SEC. 1059. AMENDMENTS TO THE UNIFORM CODE OF MILITARY JUSTICE.

(a) JURISDICTION.—Section 803(a) (article 3(a)) of title 10, United States Code, is amended to read as follows:

"(a) Subject to section 843 of this title (article 43), a person who is in a status in which the person is subject to this chapter and who committed an offense against this chapter while formerly in a status in which the person was subject to this chapter is not relieved from amenability to the jurisdiction of this chapter for that offense by reason of a termination of that person's former status.".

(b) CERTAIN ADJUDICATIONS AND POSTPONEMENTS OF SENTENCES.—(1) Section 857 (article 57) of such title is amended by adding at the end the following new subsection:

"(e)(1) In any case in which a court-martial sentences a person referred to in paragraph (2) to confinement, the convening authority may postpone the service of the sentence to confinement, without the consent of that person, until after the person has been permanently released to the armed forces by a State or foreign country referred to in that paragraph.

"(2) Paragraph (1) applies to a person subject to this chapter who—

"(A) while in the custody of a State or foreign country is temporarily returned by that State or foreign country to the armed forces for trial by court-martial; and

"(B) after the court-martial, is returned to that State or foreign country under the authority of a mutual agreement or treaty, as the case may be.

"(3) In this subsection, the term 'State' means a State of the United States, the District of Columbia, a Territory, and a possession of the United States.".

(2) Section 863 (article 63) of such title is amended—

(A) by striking out "imposed" in the second sentence and inserting in lieu thereof "approved"; and

(B) by inserting "approved" in the third sentence after "the pretrial agreement, the".

(c) OFFENSES.—(1)(A) Section 911 (article 111) of such title is amended to read as follows:

"§ 911. Art. 111. Drunken or reckless operation of a vehicle, aircraft, or vessel

"Any person subject to this chapter who—

"(1) operates or physically controls any vehicle, aircraft, or vessel in a reckless or wanton manner or while impaired by a substance described in section 912a(b) of this title (article 112a(b)), or

"(2) operates or is in actual physical control of any vehicle, aircraft, or vessel while drunk or when the alcohol concentration in the person's blood or breath is 0.10 grams of alcohol per 100 milliliters of blood or 0.10 grams of alcohol per 210 liters of breath, as shown by chemical analysis,

shall be punished as a court-martial may direct.".

(B) The item relating to section 911 in the table of sections at the beginning of subchapter X of chapter 47 of such title is amended to read as follows:

"911. 111. Drunken or reckless operation of a vehicle, aircraft, or vessel.".

(2) Section 918(3) (article 118(3)) of such title is amended by striking out "others" and inserting in lieu thereof "another".

(3) Section 920(a) (article 120(a)) of such title is amended—

(A) by striking out "with a female not his wife"; and

(B) by striking out "her".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply with respect to offenses committed on or after that date.

SEC. 1060. CIVIL-MILITARY COOPERATIVE ACTION PROGRAM.

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

(1) Many of the skills, capabilities, and resources that the Armed Forces have developed to meet military requirements can assist in meeting the civilian domestic needs of the United States.

(2) Members of the Armed Forces have the training, education, and experience to serve as role models for United States youth.

(3) As a result of the reductions in the Armed Forces resulting from the ending of the Cold War, the Armed Forces will have fewer overseas deployments and lower operating tempos, and there will be a much greater opportunity than in the past for the Armed Forces to assist civilian efforts to address critical domestic problems.

(4) The United States has significant domestic needs in areas such as health care, nutrition, education, housing, and infrastructure that cannot be met by current and anticipated governmental and private sector programs.

(5) There are significant opportunities for the resources of the Armed Forces, which are maintained for national security purposes, to be applied in cooperative efforts with civilian officials to address these vital domestic needs.

(6) Civil-military cooperative efforts can be undertaken in a manner that is consistent with the military mission and does not compete with the private sector.

(b) ESTABLISHMENT OF CIVIL-MILITARY COOPERATIVE ACTION PROGRAM.—Chapter 20 of title 10, United States Code, is amended—

(1) by adding at the end the following new subchapter:

"SUBCHAPTER II—CIVIL-MILITARY COOPERATION

"Sec.

"410. Civil-Military Cooperative Action Program.

"§ 410. Civil-Military Cooperative Action Program

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a program to be known as the 'Civil-Military Cooperative Action Program'. Under the program, the Secretary may, in accordance with other applicable

law, use the skills, capabilities, and resources of the armed forces to assist civilian efforts to meet the domestic needs of the United States.

"(b) PROGRAM OBJECTIVES.—The program shall have the following objectives:

"(1) To enhance individual and unit training and morale in the armed forces through meaningful community involvement of the armed forces.

"(2) To encourage cooperation between civilian and military sectors of society in addressing domestic needs.

"(3) To advance equal opportunity.

"(4) To enrich the civilian economy of the United States through education, training, and transfer of technological advances.

"(5) To improve the environment and economic and social conditions.

"(6) To provide opportunities for disadvantaged citizens of the United States.

"(c) ADVISORY COUNCILS.—(1) The Secretary of Defense shall encourage the establishment of advisory councils on civil-military cooperation at the regional, State, and local levels, as appropriate, in order to obtain recommendations for projects and activities under the program and guidance for the program from persons who are knowledgeable about regional, State, and local conditions and needs.

"(2) The advisory councils should include officials from relevant military organizations, representatives of appropriate local, State, and Federal agencies, representatives of civic and social service organizations, business representatives, and labor representatives.

"(3) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to such councils.

"(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing the provision of assistance under the program. The regulations shall include the following:

"(1) Rules governing the types of assistance that may be provided.

"(2) Procedures governing the delivery of assistance that ensure, to the maximum extent practicable, that such assistance is provided in conjunction with, rather than separate from, civilian efforts.

"(3) Procedures for appropriate coordination with civilian officials to ensure that the assistance—

"(A) meets a valid need; and

"(B) does not duplicate other available public services.

"(4) Procedures for the provision of assistance in a manner that does not compete with the private sector.

"(5) Procedures to minimize the extent to which Department of Defense resources are applied exclusively to the program.

"(6) Standards to ensure that assistance is provided under this section in a manner that is consistent with the military mission of the units of the armed forces involved in providing the assistance.

"(e) CONSTRUCTION OF PROVISION.—Nothing in this section shall be construed as authorizing—

"(1) the use of the armed forces for civilian law enforcement purposes; or

"(2) the use of Department of Defense personnel or resources for any program, project, or activity that is prohibited by law."; and

(2) by inserting below the chapter heading the following:

"Subchapter	Sec.
"I. Humanitarian Assistance	401
"II. Civil-Military Cooperation	410

"SUBCHAPTER I—HUMANITARIAN ASSISTANCE".

SEC. 1061. UNITED NATIONS PEACEKEEPING AND ENFORCEMENT REPORT.

(a) REPORT REQUESTED.—Not later than the date on which the President submits to Congress the budget for fiscal year 1994 under section 1105 of title 31, United States Code, the President shall transmit to Congress a report on the proposals of the Secretary General of the United Nations contained in his report to the Security Council entitled "Preventive Diplomacy, Peacemaking and Peacekeeping", dated June 19, 1992.

(b) CONTENT OF PRESIDENT'S REPORT.—The President's report shall contain a comprehensive analysis and discussion of the proposals of the Secretary General, including, in particular, the following:

(1) The proposal that contributions for peacekeeping and related enforcement activities be funded out of the National Defense function of the budget rather than the "Contributions to International Peacekeeping Activities" account of the Department of State.

(2) The assignment of responsibilities within the Executive branch if such contributions are funded, in whole or in part, out of the National Defense function.

(3) The proposal that the United States and other member states of the United Nations negotiate special agreements under Article 43 of the United Nations Charter to provide for those states to make armed forces, assistance, and facilities available to the Security Council of the United Nations for the purposes stated in Article 42 of that Charter, not only on an ad hoc basis but on a permanent on-call basis for rapid deployment under Security Council authorization.

(4) The proposal that member states of the United Nations commit to keep equipment specified by the Secretary General available for immediate sale, loan, or donation to the United Nations when required.

(5) The proposal that member states of the United Nations make airlift and sealift capacity available to the United Nations free of cost or at lower than commercial rates.

(6) Such other information as may be necessary to inform Congress on matters relating to the Secretary General's proposals.

SEC. 1062. CLARIFICATION OF SCOPE OF AUTHORIZATIONS.

No funds are authorized to be appropriated under this Act for the Federal Bureau of Investigation.

SEC. 1063. REDUCTION IN THE AUTHORIZED END STRENGTH FOR MILITARY PERSONNEL IN EUROPE.

(a) REDUCED END STRENGTH.—Subsection (c)(1) of section 1002 of the National Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended by striking out "235,700" in the first sentence and all that follows and inserting in lieu thereof "100,000.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1995.

SEC. 1064. REPORT ON THE SELECTIVE SERVICE SYSTEM.

The Secretary of Defense, in consultation with the Director of the Selective Service System, shall submit, by April 30, 1993, a report to the President on the continued requirement for registration under the selective service system. The report shall contain, at a minimum, analyses on the effect of suspension of the requirement for registration on: (1) projected mobilization requirements, including the effect on the time it would take to increase the size of the Armed Forces in a national emergency; (2) recruiting in the Armed Forces; and (3) the organization and staffing of the selective service system. The report shall also contain the Secretary's recommendations based on the analyses. The President shall transmit the report to the Congress, by May 31, 1993, along with his advice on what actions, if any he plans to take on the report.

SEC. 1065. STATE EQUALIZATION PROGRAMS.

Paragraph (2) of section 5(d) of Public Law 81-874 (20 U.S.C. 239(d)(2)) is amended—

(1) by striking subparagraph (C) (as added by section 330(a) of Public Law 94-482); and

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

"(D) Any State whose program of State aid was certified by the Secretary under subparagraph (C) for fiscal year 1988, but whose program was determined by the Secretary under subparagraph (C)(i) not to meet the requirements of subparagraph (A) for one or more of the fiscal years 1989 through 1992—

"(i) shall be deemed to have met the requirements of subparagraph (A) for each of the fiscal years 1989 through 1992; and

"(ii) shall not, beginning with fiscal year 1993, and notwithstanding any other provision of this paragraph, take payments under this title into consideration as provided under subparagraph (A) for any fiscal year unless the Secretary has previously certified such State's program for such fiscal year.".

SEC. 1066. BROADENING MISSION OF NATO.

(a)(1) The North Atlantic Treaty Organization has, for more than forty years, successfully deterred aggression against Western Europe and North America by the armed forces of the Soviet Union and the Warsaw Pact;

(2) The Warsaw Pact no longer exists;

(3) The Soviet Union has devolved into a commonwealth of sovereign, independent republics;

(4) The members of the North Atlantic Treaty Organization share many common interests in deterring aggression, conflict and economic dislocation both within and beyond the geographic boundaries of Europe and North America: Now, therefore

(b) It is the sense of the Senate that the threat of East-West military confrontation has radically receded and, if the North Atlantic Treaty Organization is to continue to be relevant to the security interests of Western Europe and North America through the 1990's and beyond, the alliance's mission must be recrafted in order to enable it to address common transatlantic security concerns, including those beyond NATO's geographic boundaries. Therefore, the President of the United States is requested to open discussions with the heads of state of NATO's various member states, with a view to adapting the alliance to current realities.

SEC. 1067. REPORT ON INTERNATIONAL MINE CLEARING EFFORTS IN REFUGEE SITUATIONS.

(a) FINDING.—The Congress finds that an estimated 10-20 million mines are scattered across Cambodia, Afghanistan, Somalia, Angola, and other countries which have experienced conflict and that refugee repatriation and other humanitarian programs are being seriously hampered by the widespread use of anti-personnel mines in regional conflicts and civil wars.

(b) REPORT.—(1) The Secretary of Defense, in consultation with the Secretary of State, shall provide a report on international mine clearing efforts in situations involving the repatriation and resettlement of refugees and displaced persons.

(2) Such report shall include, though not be limited to—

(A) an assessment of mine clearing needs in countries to which refugees and displaced persons are now returning, or are likely to return within the near future, including, though not limited to, Cambodia, Angola, Afghanistan, Somalia and Mozambique, and an assessment of current international efforts to meet the mine clearing needs in the countries covered by the report;

(B) an analysis of the specific types of mines in the individual countries assessed, and the availability of technology and assets within the international community for their removal;

(C) an assessment of what additional technologies and assets would be required to complete, expedite or reduce the costs of mine clearing efforts;

(D) an evaluation of the availability of technologies and assets within the United States government which, if called upon, could be employed to augment or complete mine clearing efforts in the countries covered by the report; and

(E) an evaluation of the desirability, feasibility and potential cost of United States assistance on either a unilateral or multilateral basis in such mine clearing operations.

(3) Such report shall be made available to the Committees on Armed Services of the Senate and the House of Representatives within 180 days of the enactment of this Act.

SEC. 1068. SENSE OF CONGRESS RELATING TO THE AWARD OF THE NAVY EXPEDITIONARY MEDAL.

It is the sense of Congress that the President should award the Navy Expeditionary Medal to members of the Navy who served in Navy Task Force 16, culminating in the airraid commonly known as the "Doolittle Raid on Tokyo", during April 1942, regardless of the time limitations on the consideration of such awards.

SEC. 1069. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.

(a) AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1992 to cover the incremental costs arising from the consequences of Hurricane Andrew and Typhoon Omar $529,300,000 as follows:

(1) For Military Personnel:

(A) For the Navy, $10,700,000.

(B) For the Air Force, $58,200,000.

(C) For the Air Force Reserve, $8,800,000.

(D) For the Air National Guard, $1,900,000.

(2) For Operation and Maintenance:

(A) For the Army, $1,400,000.

(B) For the Navy, $142,900,000.

(C) For the Air Force, $228,000,000.

(D) For the Defense Agencies, $31,500,000.

(E) For the Army Reserve, $3,300,000.

(F) For the Air Force Reserve, $13,200,000.

(G) For the Army National Guard, $1,400,000.

(H) For the Air National Guard, $2,000,000.

(3) For Military Construction:

(A) For the Air Force inside the United States, $10,000,000.

(B) For the Air Force for family housing inside the United States, $16,000,000.

(b) AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1992 to cover the incremental costs arising from the consequences of Hurricane Andrew and Typhoon Omar $263,530,000 as follows:

(1) For military construction for the Navy outside the United States, $81,530,000.

(2) For military construction for the Air Force inside the United States, $66,000,000.

(3) For military construction for the Air Force outside the United States, $7,600,000.

(4) For family housing for the Navy outside the United States, $87,200,000.

(5) For family housing for the Air Force outside the United States, $21,200,000.

(c) EMERGENCY DESIGNATION.—The authorization of appropriations in subsection (b) are effective only to the extent that the appropriations are designated by the Congress as emergency appropriations for all purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 in an appropriations Act.

SEC. 1070. BENEFITS FOR SPOUSES AND FORMER SPOUSES OF MEMBERS WHO BECOME DISQUALIFIED FOR RETIRED PAY BY REASON OF MISCONDUCT INVOLVING ABUSE OF A DEPENDENT.

(a) IN GENERAL.—(1) Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 71 the following new chapter:

"CHAPTER 72—MISCELLANEOUS PROTECTIONS, RIGHTS, AND BENEFITS FOR DEPENDENTS

"Sec.

"1421. Annuity protection for spouses and former spouses of members losing eligibility for retired pay as a result of abuse of a dependent.

"1422. Other benefits.

"§ 1421. Annuity protection for spouses and former spouses of members losing eligibility for retired pay as a result of abuse of a dependent

"(a) REQUIREMENT TO PAY ANNUITY.—The Secretary of a military department shall, upon application, pay an annuity under this section to an eligible spouse or former spouse of a member (described in subsection (b)) of the armed force under the jurisdiction of that Secretary.

"(b) ELIGIBLE PERSONS.—A spouse or former spouse of a member of the armed forces is eligible to receive an annuity under this section if—

"(1) after the member becomes eligible to be retired on the basis of years of service, the member's eligibility to receive retired pay or retainer pay is terminated as a result of misconduct of the member or former member involving abuse of a dependent; and

"(2) the spouse or former spouse—

"(A) was the victim of the abuse and was married to the member at the time of that abuse; or

"(B) is a natural or adopted parent of a dependent child of the member who was the victim of the abuse.

"(c) ADVERSE ACTIONS COVERED.—This section applies with respect to terminations of eligibility to receive retired pay or retainer pay as a result of a conviction by a court-martial or an administrative separation from the armed forces.

"(d) AMOUNT OF ANNUITY.—(1) The amount of the annuity payable under this section to a spouse or former spouse of a member referred to in subsection (b)(1) shall be equal to the lesser of—

"(A) the percentage determined under paragraph (2) of the amount of the retired pay or retainer pay which the member would have received on the date on which the spouse's or former spouse's entitlement to that annuity becomes effective if the member had been retired from the armed forces entitled to receive retired or retainer pay on that date; or

"(B) the amount that is equal to such portion of the member's retired or retainer pay as is provided for in an applicable court order (as defined in section 1408(a) of this title), if any.

"(2)(A) In the case of spouse or former spouse who has been married to the member for 20 or more years, at least 20 of which were during the period the member performed service creditable in determining the member's eligibility for retired or retainer pay, the percent applicable under paragraph (1)(A) is 50 percent.

"(B) In the case of a spouse or former spouse not described in subparagraph (A), the percent applicable under paragraph (1)(A) is the percent (rounded to the nearest one percent) that is determined by—

"(i) multiplying 50 percent times the number of years during the member's service creditable in determining the member's eligibility for retired or retainer pay that the spouse or former spouse has been married to the member; and

"(ii) dividing the product computed under clause (i) by 20.

"(3) Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the annuity payable under this section to the spouse or former spouse of a member referred to in subsection (b)(1) shall be increased at the same time. The annuity shall be increased by the percent by which the retired pay or retainer pay of the member would have been increased if the member were receiving retired or retainer pay.

"(e) COMMENCEMENT AND TERMINATION.—(1) The eligibility of a person to receive an annuity under this section on the basis of a termination of eligibility for retired or retainer pay shall become effective as of the first day of the month in which the action that terminates the eligibility for retired or retainer pay is taken, as determined under regulations prescribed by the Secretary of the military department concerned.

"(2) Eligibility to receive an annuity under this section with respect to a member referred to in subsection (b) shall terminate—

"(A) in the case of an annuitant who marries again after the effective date of the annuity before attaining 55 years of age, on the date of such marriage; and

"(B) in the case of an annuitant who resumes cohabitation with the member, on the date on which the cohabitation resumes.

"(3) A person's eligibility to receive an annuity under this section that is terminated under paragraph (2)(A) by reason of remarriage shall be resumed in the event of the termination of that marriage by the death of that person's spouse or by annulment or divorce. The resumption of payment of the annuity shall begin as of the first day of the month in which that marriage is so terminated. The monthly amount of the resumed annuity shall be the amount that would have been paid if the entitlement to the annuity had not been terminated.

"(f) APPLICATION FOR ANNUITY.—(1) An application for an annuity under this section shall be made in the form and manner prescribed by the Secretary of the military department concerned. The application shall include the certification of the applicant, under oath or by affirmation, that no circumstances exist that would terminate the eligibility of the applicant for that annuity under subsection (e).

"(2) No annuity shall be paid under this section to a spouse or former spouse of a member of the armed forces referred to in subsection (b)(1) unless the spouse or former spouse applies for that annuity within one year after the date of the action referred to in subsection (e)(1).

"(3) the spouse or former spouse certifies to the Secretary of the military department

concerned that none of the circumstances described in subsection (e)(2) exist in the case of the spouse or former spouse.

"(g) RECERTIFICATION OF ELIGIBILITY.—The Secretary of the military department concerned may require a recipient of an annuity under this section to recertify, at any time or on a periodic basis, that no circumstances exist that would terminate the eligibility of the applicant for that annuity under subsection (e). Each certification shall be made under oath or by affirmation.

"(h) MEMBER TO HAVE NO CLAIM AGAINST ANNUITY.—Notwithstanding any other provision of law, a member of the armed forces referred to in subsection (b)(1) shall have no ownership interest in, or claim against, an annuity payable under this section to a spouse or former spouse of the member.

"(i) OFFSET OF PAYMENTS TO INCARCERATED MEMBER.—If in any month a member of the armed forces referred to in subsection (b)(1) is incarcerated for any period during that month and is entitled to receive any payment from the United States—

"(1) the amount so payable shall be withheld to the extent of the amount of annuity payments made with respect to that member under this section and not recouped pursuant to this subsection before that month; and

"(2) the entitlement of that member to the amount so withheld shall terminate.

"(j) DEFINITIONS.—In this section:

"(1) The term 'dependent' means a spouse or dependent child.

"(2) The term 'dependent child', with respect to a member of the armed forces referred to in subsection (a), means an unmarried legitimate child, including an adopted child or a stepchild of the member, who—

"(A) is under 18 years of age;

"(B) is incapable of self-support because of a mental or physical incapacity that existed before becoming 18 years of age and is or, at the time of the action described in subsection (e)(1) with respect to that member, was dependent on the member for over one-half of the child's support; or

"(C) if enrolled in a full-time course of study in an institution of higher education recognized by the Secretary of Defense for the purposes of this clause, is under 23 years of age and is or, at the time of the action described in subsection (e)(1), was dependent on the member for over one-half of the child's support.

"§ 1422. Other benefits

"A spouse or former spouse of a member of the armed forces referred to in subsection (b)(1) of section 1421 of this title shall be entitled, while receiving an annuity under that section—

"(1) to receive medical and dental care under the provisions of chapter 55 of this title to the same extent as a dependent of a retired member of the armed forces;

"(2) to use the commissary and exchange stores on the same basis as a dependent of a retired member of the armed forces; and

"(3) to receive any other benefits that a dependent of a retired member is entitled to receive on the basis of being a dependent of a retired member.".

(2) The tables of chapters at the beginning of subtitle A of such title and part II of such subtitle are amended by inserting after the item relating to chapter 71 the following:

"72. Miscellaneous protections, rights, and benefits for dependents 1421".

(b) FUNDING FOR ANNUITIES.—Section 1463 of such title is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(5) annuities payable under section 1421 of this title.".

(c) APPLICABILITY.—(1) Section 1421 of title 10, United States Code (as added by subsection (a)), shall apply with respect to terminations of eligibility to receive retired or retainer pay that take effect before, on, or after the date of the enactment of this Act.

(2) Notwithstanding subsection (f)(2) of such section 1421, in the case of a spouse or former spouse claiming eligibility to receive an annuity under that section on the basis of a termination of eligibility to receive retired or retainer pay that took effect before the date of the enactment of this Act, no annuity shall be paid that spouse or former spouse under such section unless the spouse or former spouse applies for that annuity within one year after that date.

(3) No annuity shall accrue under such section 1421 for periods before the date of the enactment of this Act.

(d) REPORT ON OTHER ACTIONS.—(1) Not later than February 28, 1993, the Secretary of Defense shall transmit to the Congress a report on the actions taken and planned to be taken by the Department of Defense to reduce or eliminate disincentives for a dependent of a member of the Armed Forces abused by the member to report the abuse to appropriate authorities.

(2) The actions considered by the Secretary should include the provision of treatment, child care services, health care services, job training, job placement services, and transitional financial assistance for dependents of members of the Armed Forces referred to in paragraph (1).

(e) STUDY REQUIRED.—(1) The Secretary of Defense shall conduct a study in order to—

(A) determine the number of persons who became eligible to receive an annuity under section 1421 of title 10, United States Code (as added by subsection (a)), as of each of fiscal years 1980 through 1992;

(B) estimate the number of persons who will become eligible to receive an annuity under such section during each of fiscal years 1993 through 2000;

(C) determine, for each of fiscal years 1980 through 1992, the number of members of the Armed Forces who, after having completed at least one, and less than 20, years of service, were approved in that fiscal year for separation from the Armed Forces as a result of abuse of a spouse or dependent child; and

(D) estimate, for each of fiscal years 1993 through 2000, the number of members of the Armed Forces who, after having completed at least one, and less than 20, years of service in that fiscal year, will be approved in that fiscal year for separation from the Armed Forces as a result of abuse of a spouse or dependent child.

(2) The study shall include a thorough analysis of—

(A) the effects, if any, of appeals and requests for clemency in the case of courts-martial convictions on the entitlement to and the payment of annuities under section 1421 of title 10, United States Code (as added by subsection (a));

(B) the socio-economic effects on the dependents of members of the Armed Forces described in subsection (b) of such section that result from terminations of the eligibility of such members to receive retired or retainer pay; and

(C) the effects of separations of such members from the Armed Forces on the mission readiness of the units of assignment of such members when separated and on the Armed Forces in general.

(3) Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the study.

SEC. 1071. LIMITATION RELATING TO NUCLEAR WEAPONS TESTING.

(a) MORATORIUM FOR 9 MONTHS.—No underground test of a nuclear weapon may be conducted by the United States after September 30, 1992, and before July 1, 1993.

(b) POST MORATORIUM TESTING BEFORE 1997.—On and after July 1, 1993, and before January 1, 1997, an underground test of a nuclear weapon may be conducted by the United States—

(1) only if—

(A) the President has submitted the annual report required under subsection (d);

(B) 90 days have elapsed after the submittal of that report in accordance with that subsection; and

(C) Congress has not agreed to a joint resolution described in subsection (d)(3) within that 90-day period; and

(2) only if the test is conducted during the period covered by the report.

(d)(1) Not later than March 1 of each year beginning after 1992, the President shall submit to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives, in classified and unclassified forms, a report containing the following matters:

(A) A schedule for resumption of the Nuclear Testing Talks with Russia.

(B) A plan for achieving a multilateral comprehensive ban on the testing of nuclear weapons on or before September 30, 1996.

(C) An assessment of the number and type of nuclear warheads that will remain in the United States stockpile of active nuclear weapons on September 30, 1996.

(D) For each fiscal year after fiscal year 1992, an assessment of the number and type of nuclear warheads that will remain in the United States stockpile of nuclear weapons and that—

(i) will not be in the United States stockpile of active nuclear weapons;

(ii) will remain under the control of the Department of Defense; and

(iii) will not be transferred to the Department of Energy for dismantlement.

(E) A description of the safety features of each warhead that is covered by an assessment referred to in subparagraph (C) or (D).

(F) A plan for installing one or more modern safety features in each warhead identified in the assessment referred to in subparagraph (C), as determined after an analysis of the costs and benefits of installing such feature or features in the warhead, should have one or more of such features.

(G) An assessment of the number and type of nuclear weapon tests, not to exceed 5 tests in any period covered by an annual report under this paragraph and a total of 15 tests in the 4-fiscal year period beginning with fiscal year 1993, that are necessary in order to ensure the safety of each nuclear warhead in which one or more modern safety features are installed pursuant to the plan referred to in subparagraph (F).

(H) A schedule, in accordance with subparagraph (G), for conducting at the Nevada test site, each of the tests enumerated in the assessment pursuant to subparagraph (G).

(2) The first annual report shall cover the period beginning on the date on which a resumption of testing of nuclear weapons is permitted under subsection (c) and ending on

September 30, 1994. Each annual report thereafter shall cover the fiscal year following the fiscal year in which the report is submitted.

(3) For the purposes of paragraph (1), "joint resolution" means only a joint resolution introduced after the date on which the Committees referred to in that paragraph receive the report required by that paragraph the matter after the resolving clause of which is as follows: "The Congress disapproves the report of the President on nuclear weapons testing, dated _____." (the blank space being appropriately filled in).

(4) No report is required under this subsection after 1996.

(e)(1) Except as provided in paragraphs (2) and (3), during a period covered by an annual report submitted pursuant to subsection (d), nuclear weapons may be tested only as follows:

(A) Only those nuclear explosive devices in which modern safety features have been installed pursuant to the plan referred to in subsection (d)(1)(F) may be tested.

(B) Only the number and types of tests specified in the report pursuant to subsection (d)(1)(G) may be conducted.

(2)(A) One test of the reliability of a nuclear weapon other than one referred to in paragraph (1)(A) may be conducted during any period covered by an annual report, but only if—

(i) within the first 60 days after the beginning of that period, the President certifies to Congress that it is vital to the national security interests of the United States to test the reliability of such a nuclear weapon; and

(ii) within the 60-day period beginning on the date that Congress receives the certification, Congress does not agree to a joint resolution described in subparagraph (B).

(B) For the purposes of subparagraph (A), "joint resolution" means only a joint resolution introduced after the date on which the Congress receives the certification referred to in that subparagraph the matter after the resolving clause of which is as follows: "The Congress disapproves the testing of a nuclear weapon covered by the certification of the President dated _____." (the blank space being appropriately filled in).

(3) The President may authorize the United Kingdom to conduct in the United States, within a period covered by an annual report, one test of a nuclear weapon if the President determines that it is in the national interests of the United States to do so. Such a test shall be considered as one of the tests within the maximum number of tests that the United States is permitted to conduct during that period under paragraph (1)(B).

(f) No underground test of nuclear weapons may be conducted by the United States after September 30, 1996, unless a foreign state conducts a nuclear test after this date, at which time the prohibition on United States nuclear testing is lifted.

(g) In the computation of the 90-day period referred to in subsection (c)(1) and the 60-day period referred to in subsection (e)(2)(A)(ii), the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded.

(h) In this section, the term "modern safety feature" means any of the following features:

(1) An insensitive high explosive (IHE).

(2) Fire resistant pits (FRP).

(3) An enhanced detonation safety (ENDS) system.

SEC. 1072. LANDMINE MORATORIUM ACT.

(a) This section shall be titled the "Landmine Moratorium Act of 1992".

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

(1) Anti-personnel landmines, which are specifically designed to maim and kill people, have been used indiscriminately in dramatically increasing numbers, primarily in insurgencies in poor developing countries. Noncombatant civilians, including tens of thousands of children, have been the primary victims.

(2) Unlike other military weapons, landmines often remain implanted and undiscovered after conflict has ended, causing untold suffering to civilian populations. In countries like Afghanistan, Cambodia, Laos, Vietnam, and Angola, tens of millions of unexploded landmines have rendered whole areas uninhabitable. In Afghanistan, an estimated hundreds of thousands of people have been maimed and killed by landmines during the 14-year civil war. In Cambodia, more than 20,000 civilians have lost limbs and another 60 are being maimed each month from landmines.

(3) Over 35 countries are known to manufacture landmines, including the United States. However, the United States is not a major exporter of landmines. During the past ten years the Department of State has approved ten licenses for the commercial export of anti-personnel landmines valued at $980,000, and during the past five years the Department of Defense has approved the sale of 13,156 anti-personnel landmines valued at $841,145.

(4) The United States signed, but has not ratified, the 1981 Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious or To Have Indiscriminate Effects. The Convention prohibits the indiscriminate use of landmines.

(5) When it signed the Convention, the United States stated: "We believe that the Convention represents a positive step forward in efforts to minimize injury or damage to the civilian population in time of armed conflict. Our signature of the Convention reflects the general willingness of the United States to adopt practical and reasonable provisions concerning the conduct of military operations, for the purpose of protecting noncombatants.".

(6) The Administration should submit the convention to the Senate for ratification, and the President should actively negotiate under United Nations or other auspices an international agreement, or a modification of the Convention, to prohibit the sale, transfer or export of anti-personnel landmines. This would be an appropriate response to the end of the Cold War and the promotion of arms control agreements to reduce the indiscriminate killing and maiming of civilians.

(7) The United States should set an example for other countries in such negotiations, by implementing a one-year moratorium on the sale, transfer or export of anti-personnel landmines.

(c) STATEMENT OF POLICY.—

(1) It shall be the policy of the United States to seek verifiable international agreements prohibiting the sale, transfer or export, and further limiting the use, production, possession and deployment of anti-personnel landmines.

(2) It is the sense of the Congress that the President should actively seek to negotiate under United Nations or other auspices an international agreement, or a modification of the Convention, to prohibit the sale, transfer or export of anti-personnel landmines.

(d) MORATORIUM ON TRANSFERS OF ANTI-PERSONNEL LANDMINES ABROAD.—For a period of 1 year beginning on the date of enactment of this Act—

(1) no sale may be made or financed, no transfer may be made, and no license for export may be issued, under the Arms Export Control Act, with respect to any anti-personnel landmine; and

(2) no assistance may be provided under the Foreign Assistance Act of 1961, with respect to the provision of any anti-personnel landmine.

(e) DEFINITION.—For purposes of this section, the term "anti-personnel landmine" means—

(1) any munition placed under, on, or near the ground or other surface area, or delivered by artillery, rocket, mortar, or similar means or dropped from an aircraft and which is designed to be detonated or exploded by the presence, proximity, or contact of a person;

(2) any device or material which is designed, constructed, or adapted to kill or injure and which functions unexpectedly when a person disturbs or approaches an apparently harmless object or performs an apparently safe act;

(3) any manually-emplaced munition or device designed to kill, injure, or damage and which is actuated by remote control or automatically after a lapse of time.

SEC. 1073. REPORT ON POSSIBLE REVISIONS TO THE NORTH ATLANTIC TREATY.

(a) FINDINGS.—The Congress finds that—

(1) when the North Atlantic Treaty was signed in 1949, the clear military threat to the security of Western Europe was the Soviet Union and its allies in Eastern Europe;

(2) since 1949 it has been clearly understood by the people of the Western World that the primary mission of NATO was to deter an attack from the Soviet Bloc;

(3) the dramatic changes in Europe since the fall of the Berlin Wall in 1989, and the subsequent dissolution of the Warsaw Pact and the Soviet Union have fundamentally changed the security situation in Europe;

(4) one of the consequences of the breakdown of 40 years of Communist rule in Eastern Europe and the former Soviet Union has been ethnic conflict throughout the region, particularly in the Balkans and the Republics of the Former Soviet Union;

(5) those fundamental changes in the security threats facing NATO member nations have caused confusion concerning the mission of NATO in the post-cold war world and the role of NATO military forces outside of the NATO Theater, particularly in the former Soviet Union; and

(6) a fundamental review of the North Atlantic Treaty is necessary, in light of the new security situation in Europe.

(b) REPORT.—The Secretary of Defense, in consultation with the Secretary of State, shall provide a report to the Congress, by April 1, 1993, which includes—

(1) a detailed analysis of the forseeable threats to the security of NATO member nations;

(2) a determination whether or not there is a requirement for the member nations of NATO to revise the North Atlantic Treaty of 1949 to meet the future challenges to their peace and security; and

(3) the extent to which the charter permits the use of NATO forces for peacekeeping purposes, given the steadily increased use of military forces for such purposes, and the range of missions that should be considered for such peacekeeping to protect the interests of member nations

SEC. 1074. POW/MIA STAMP.

(a) Congress finds that—

(1) the President has declared the POW/MIA issue to be of highest national priority;

(2) there are over 88,000 missing United States service personnel from World War II, the Korean War, and the Vietnam War;

(3) public awareness of the sacrifices which have been and may continue to be made by American prisoners of war and Americans missing in action is critical to advancing efforts to obtain the return of missing American service personnel.

(b) The Postmaster General shall issue a commemorative postage stamp in honor of American prisoners of war and Americans missing in action. Such a stamp shall be issued and sold for such a period as the Postmaster General shall determine.

SEC. 1075. SUPPORT FOR INTERNATIONAL NONPROLIFERATION ACTIVITIES.

(a) FINDINGS.—The Congress makes the following findings:

(1) The proliferation of nuclear, chemical and biological weapons and related technology and know how and of missile delivery systems remains a serious threat to international peace and security in the post-Cold War era.

(2) The United States should seek to limit the supply of nuclear, chemical and biological weapons, related technology and know how and of missile delivery systems, and the demand for such weapons and should undertake to reduce the threat from such proliferation.

(3) International nonproliferation activities serve the national security interests of the United States.

(4) The Department of Defense and the Department of Energy have expertise and equipment that has enhanced the effectiveness of international nuclear nonproliferation activities.

(5) The use of funds made available under the regular budget process one year in advance or the use of reprogrammed funds may be insufficient to satisfy the need for funds and other support for international nonproliferation activities.

(6) Greater flexibility may be needed to ensure the timely availability of funding to support international nonproliferation activities.

(b) ASSISTANCE FOR NONPROLIFERATION ACTIVITIES.—(1) Subject to the limitations and requirements provided in this section, during fiscal year 1993 the Secretary of Defense may furnish funds, supplies, and equipment to support international nonproliferation activities, including activities carried out by the International Atomic Energy Agency, that are designed to ensure more aggressive full-scope safeguards and more aggressive verification of compliance with the Treaty on the Non-Proliferation of Nuclear Weapons, done on July 1, 1968.

(2) Assistance may be provided in the form of funds under paragraph (1) only if the amount in the "Contributions to International Organizations" account of the Department of State is insufficient or otherwise unavailable to meet the United States fair share of assessments for international nuclear nonproliferation activities.

(3) No assistance may be furnished pursuant to paragraph (1) unless the Secretary of Defense determines and certifies to the Congress 30 days in advance that the provision of such assistance—

(A) is in the national security interest of the United States; and

(B) will not adversely affect the military preparedness of the United States.

(4) No amount may be obligated for an expenditure pursuant to paragraph (1) unless the Director of the Office of Management and Budget determines that the expenditure will be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(5) In paragraph (1), the term "full-scope safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency.

(c) ASSISTANCE FOR INSPECTIONS REGARDING IRAQ.—During fiscal year 1993 the Secretary of Defense may provide funds for the activities of the On-Site Inspection Agency in support of the United Nations Special Commission on Iraq.

(d) AUTHORITY SUBJECT TO APPROPRIATIONS ACTS.—The authority to provide assistance in the form of funds under subsection (b) or (c) may be exercised only to the extent and in the amounts provided in appropriations Acts.

(e) FUNDING LIMITATIONS.—(1) The total amount of the assistance provided in the form of funds under subsection (b) may not exceed $20,000,000.

(2) The total amount of the assistance provided in the form of funds under subsection (c) may not exceed $20,000,000.

(f) SOURCES OF ASSISTANCE.—(1) Funds provided as assistance under subsection (b) or (c) shall be derived from amounts made available to the Department of Defense for fiscal year 1993 or from balances in working capital accounts of the Department of Defense.

(2) Supplies and equipment provided as assistance under subsection (b) may be provided, by loan or donation, from existing stocks of the Department of Defense.

(g) REPORT REQUIRED.—Not less than 30 days before obligating any funds to provide assistance pursuant to subsection (b) or (c), the Secretary of Defense shall transmit to Congress a report on the proposed obligation. The report shall specify—

(1) the account, budget activity, and particular program or programs from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation; and

(2) the activities and forms of assistance for which the Secretary of Defense plans to obligate such funds.

(h) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Robust funding of nonproliferation activities and related technology development is essential to controlling the proliferation of nuclear, chemical, and biological weapons and their delivery vehicles, which remains one of the highest national security priorities of the United States;

(2) The President's initiative to increase funding for nonproliferation activities and related technology development in the Department of Energy is praiseworthy and represents a significant step toward an appropriate level of support for nonproliferation activities;

(3) The President should undertake to identify a full range of appropriate, high priority nonproliferation activities and related technology development programs, including particularly space-based detection systems, and should include full funding for these activities and technologies in the budget requests of the Department of Energy and the Department of Defense for fiscal year 1994; and

(4) The Congress is committed to cooperating with the President in carrying out an effective policy designed to control the proliferation of weapons of mass destruction.

SEC. 1076. SUPPORT FOR PEACEKEEPING ACTIVITIES.

(a) FINDINGS.—The Congress makes the following findings:

(1) International peacekeeping activities contribute to the national interests of the United States in maintaining global stability and order.

(2) International peacekeeping activities take many forms and include observer missions, ceasefire monitoring, human rights monitoring, refugee and humanitarian assistance, monitoring and conducting elections, monitoring of police in the demobilization of former combatants, and reforming judicial and other civil and administrative systems of government.

(3) International peacekeeping activities traditionally involve the presence of military troops, police forces, and, in recent years, civilian experts in transportation, logistics, medicine, electoral systems, human rights, land tenure, other economic and social issues, and other areas of expertise.

(4) International peacekeeping interests serve both the foreign policy interests and defense policy interests of the United States.

(5) The normal budget process of authorizing and appropriating funds a year in advance and reprogramming such funds is insufficient to satisfy the need for funds for peacekeeping efforts arising from an unanticipated crisis.

(6) Greater flexibility is needed to ensure the timely availability of funding to provide for peacekeeping activities.

(b) AUTHORIZED SUPPORT FOR FISCAL YEAR 1993.—(1) Subject to paragraph (2), the Secretary may provide assistance for international peacekeeping activities during fiscal year 1993 in an amount not to exceed $300,000,000 in accordance with section 403 of title 10, United States Code, as added by subsection (c). Notwithstanding subsection (b) of that section, the assistance so provided may be derived from funds appropriated to the Department of Defense for fiscal year 1993 for operation and maintenance or from balances in working capital accounts.

(2) No amount may be obligated pursuant to paragraph (1) unless the expenditure of such amount has been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) AUTHORIZATION.—(1) Chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 403. International peacekeeping activities

"(a) AUTHORITY.—To the extent provided in defense authorization Acts and appropriations Acts, the Secretary of Defense may furnish assistance, by loan or contribution, in support of international peacekeeping activities of the United Nations or any regional organization of which the United States is a member.

"(b) FORMS OF ASSISTANCE.—Assistance provided under subsection (a) may include funds, supplies, and equipment. Any funds so provided shall be derived from amounts available to the Department of Defense for the fiscal year for which the assistance is provided.

"(c) LIMITATIONS RELATED TO AVAILABILITY OF STATE DEPARTMENT FUNDS.—Funds may be provided as assistance pursuant to subsection (a) for a fiscal year—

"(1) only if funds available to the Department of State for that fiscal year for contributions for international peacekeeping activities are insufficient or otherwise unavailable to meet the United States' fair share of assessments for international peacekeeping activities, as determined by the President; and

"(2) only to the extent that the United States' fair share of such assessments exceeds the amount that the President requests Congress to appropriate for the Department of State for such fiscal year for international peacekeeping activities.

"(d) CONSULTATION.—The Secretary of Defense shall consult with the Secretary of State before furnishing any assistance pursuant to subsection (a).

"(e) DETERMINATIONS REQUIRED.—No assistance may be furnished pursuant to subsection (a) unless the Secretary of Defense certifies to Congress that the provision of such assistance—

"(1) is in the national security interest of the United States; and

"(2) will not adversely affect the military preparedness of the United States.

"(f) ADVANCE NOTICE TO CONGRESS.—Not less than 30 days before obligating any funds for purposes of subsection (a), the Secretary of Defense shall transmit to Congress a report on the proposed obligation. The report shall—

"(1) specify the account, budget activity, and particular program or programs from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation;

"(2) specify the activities and forms of assistance for which the Secretary of Defense plans to obligate such funds; and

"(3) include the certification required by subsection (e).

"(g) DEFINITION.—In this section, the term 'defense authorization Act' means an Act that authorizes appropriations for one or more fiscal years for military activities of the Department of Defense, including the activities described in paragraph (7) of section 114(a) of this title.".

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

"403. International peacekeeping activities.".

SEC. 1077. NATIONAL DEFENSE SEALIFT FUND.

Chapter 131 of title 10, United States Code, is amended by adding at the end thereof the following new section 2218:

"§ 2218. National Defense Sealift Fund

"(a) There is established on the books of the treasury a fund to be known as the 'National Defense Sealift Fund,' shall be administered by the Secretary of Defense.

"(b) Funds may be deposited in the National Defense Sealift Fund only as specifically authorized in law.

"(c) Funds deposited in the National Defense Sealift Fund may be obligated and expended by the Secretary of Defense for—

"(1) research and development relating to National Defense Sealift;

"(2) construction, purchase, or conversion of sealift vessels for National defense purposes;

"(3) lease and operational and maintenance of sealift vessels for national defense purposes; and

"(4) other purposes relating to National Defense Sealift;

but only to the extent such obligation or expenditure is specifically authorized in law.".

SEC. 1078. TECHNICAL AMENDMENT.

Section 603 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25, 105 Stat. 107) is amended—

(1) in subsection (b)(1), by adding at the end thereof the following new sentence: "Subsequent to the identification of the parcel of land pursuant to this subsection, the Secretary may, with the concurrence of appropriate representatives of Caroline County, Virginia, and the Commonwealth, make minor adjustments to the boundaries of the parcel of land identified so that the parcel of land conveyed pursuant to this section better serves the purposes intended by this section.";

(2) in subsection (c)(2)(A), by striking out "construct and operate on such parcel of land a regional correctional facility" and inserting in lieu thereof "provide for the construction and operation on such parcel of land a regional correctional facility";

(3) in subsection (c)(2)(B), by striking out "constructs and operates such facility" and inserting in lieu thereof "provides for the construction and operation of such facility"; and

(4) in subsection (d)(1)(A)(i), by striking out "24 months after the date of enactment of this Act" and inserting in lieu thereof "April 1, 1995".

Subtitle F—Civil-Military Youth Service Programs

SEC. 1081. NATIONAL GUARD CIVILIAN YOUTH OPPORTUNITIES PILOT PROGRAM.

(a) PROGRAM AUTHORITY.—During fiscal years 1993 through 1995 the Chief of the National Guard Bureau may conduct a pilot program to be known as the "National Guard Civilian Youth Opportunities Program".

(b) PURPOSE.—The purpose of the pilot program is to provide a basis for determining—

(1) whether the life skills and employment potential of civilian youths who cease to attend secondary school before graduating can be significantly improved through military based training provided by the National Guard; and

(2) whether it is feasible and cost effective for the National Guard to provide military based training to such youths for the purpose of achieving such improvements.

(c) CONDUCT OF PROGRAM IN 10 NATIONAL GUARD JURISDICTIONS.—The Chief of the National Guard Bureau may provide for the conduct of the pilot program in any 10 of the States, the Territories, the Commonwealth of Puerto Rico, or the District of Columbia.

(d) PROGRAM AGREEMENTS.—(1) To carry out the pilot program in a State, a Territory, the Commonwealth of Puerto Rico, or the District of Columbia, the Chief of the National Guard Bureau shall enter into an agreement with the Governor of the State, Territory, or Commonwealth or with the commanding general of the District of Columbia National Guard, as the case may be.

(2) Each agreement shall provide for the Governor or, in the case of the District of Columbia National Guard, the commanding general to establish, organize, and administer a National Guard civilian youth opportunities program.

(3) The agreement may provide for the Chief of the National Guard Bureau to reimburse the State, Territory, Commonwealth of Puerto Rico, or the District of Columbia, as the case may be, for civilian personnel costs attributable to the use of civilian employees of the National Guard in the conduct of the program.

(e) ELIGIBLE PARTICIPANTS.—(1) Persons referred to in subsection (b)(1) shall be eligible to participate in a National Guard civilian youth opportunities program under the pilot program.

(2) The Chief of the National Guard Bureau shall prescribe the standards and procedures for selecting the participants from among applicants for the program.

(f) AUTHORIZED BENEFITS FOR PARTICIPANTS.—(1) To the extent provided in an agreement entered into in accordance with subsection (d) and subject to the approval of the Chief of the National Guard Bureau, the persons selected for training in a National Guard civilian youth opportunities program under the pilot program may receive the following benefits in connection with that training:

(A) Allowances for travel expenses, personal expenses, and other expenses.

(B) Quarters.

(C) Subsistence.

(D) Transportation.

(E) Equipment.

(F) Clothing.

(G) Recreational services and supplies.

(H) Other services.

(I) A temporary stipend upon the successful completion of the training, as characterized in accordance with procedures provided in the agreement.

(2) A person may not receive a temporary stipend under paragraph (1)(I) while the person is a member of the Civilian Community Corps under subtitle H of title I of the National and Community Service Act of 1990 (as added by section 1082(a)). A person may not receive both that stipend and benefits under subsection (f) or (g) of section 195G of that Act (as so added).

(g) PROGRAM PERSONNEL.—(1) Personnel of the National Guard of a State, a Territory, the Commonwealth of Puerto Rico, or the District of Columbia in which a National Guard civilian youth opportunities program is conducted under the pilot program may serve on full-time National Guard duty for the purpose of providing command, administrative, training, or supporting services for that program. For the performance of those services, any such personnel may be ordered to duty under section 502(f) of title 32, United States Code, for not longer than the period of the program.

(2) Personnel so serving may not be counted for the purposes of—

(A) any provision of law limiting the number of personnel that may be serving on full-time active duty or full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components; or

(B) section 524 of title 10, United States Code, relating to the number of reserve component officers who may be on active duty or full-time National Guard duty in certain grades.

(3) A Governor participating in the pilot program and the commanding general of the District of Columbia National Guard (if the District of Columbia National Guard is participating in the pilot program) may procure by contract the temporary full time services of such civilian personnel as may be necessary to augment National Guard personnel in carrying out a National Guard civilian youth opportunities program under the pilot program.

(4) Civilian employees of the National Guard performing services for such a program and contractor personnel performing such services may be required, when appropriate to achieve a program objective, to be

members of the National Guard and to wear the military uniform.

(h) EQUIPMENT AND FACILITIES.—(1) Equipment and facilities of the National Guard, including military property of the United States issued to the National Guard, may be used in carrying out the pilot program.

(2) Activities under the pilot program shall be considered noncombat activities of the National Guard for purposes of section 710 of title 32, United States Code.

(i) STATUS OF PARTICIPANTS.—(1) A person receiving training under the pilot program shall be considered an employee of the United States for purposes of the following provisions of law:

(A) The Internal Revenue Code of 1986.

(B) Title II of the Social Security Act (relating to Federal old-age, survivors, and disability insurance benefits).

(C) Subchapter I of chapter 81 of title 5, United States Code (relating to compensation of Federal employees for work injuries).

(D) Section 1346(b) and chapter 171 of title 28, United States Code, and any other provision of law relating to the liability of the United States for tortious conduct of employees of the United States.

(2) In the application of the provisions of law referred to in paragraph (1)(C) to a person referred to in paragraph (1)—

(A) the person shall not be considered to be in the performance of duty while the person is not at the assigned location of training or other activity or duty authorized in accordance with a program agreement referred to in subsection (d), except when the person is traveling to or from that location or is on pass from that training or other activity or duty;

(B) the person's monthly rate of pay shall be deemed to be the minimum rate of pay provided for grade GS-2 of the General Schedule under section 5332 of title 5, United States Code; and

(C) the entitlement of a person to receive compensation for a disability under such provisions of law shall begin on the day following the date on which the person's participation in the pilot program is terminated.

(3) A person receiving a stipend pursuant to subsection (f)(1)(I) shall be considered an employee for purposes of the provisions of law referred to in subparagraphs (A) and (B) of paragraph (1).

(4) A person referred to in paragraph (1) or (3) may not be considered an employee of the United States for any purpose other than a purpose set forth in that paragraph.

(j) FUNDING.—(1) To the extent provided in appropriations Acts, funds described in paragraph (2) shall be available for the pilot program.

(2) The funds referred to in paragraph (1) are as follows:

(A) Funds appropriated for pay, allowances, clothing, subsistence, gratuities, travel and related expense for personnel of the National Guard while on active duty or full-time National Guard duty.

(B) Funds appropriated for the National Guard for operation and maintenance.

(k) SUPPLEMENTAL RESOURCES.—(1) To carry out a National Guard civilian youth opportunities program under the pilot program, the Governor of a State, a Territory, or the Commonwealth of Puerto Rico or the commanding general of the District of Columbia National Guard, as the case may be, may supplement any funding made available pursuant to subsection (j) out of other resources (including gifts) available to the Governor or the commanding general.

(2) The provision of funds authorized to be appropriated for the pilot program shall not preclude a Governor participating in the pilot program, or the commanding general of the District of Columbia National Guard (if the District of Columbia National Guard is participating in the pilot program), from accepting, using, and disposing of gifts or donations of money, other property, or services for the pilot program.

(l) REPORT.—(1) Within 90 days after the end of the 1-year period beginning on the first day of the pilot program, the Chief of the National Guard Bureau shall submit to the congressional defense committees a report on the design, conduct, and effectiveness of the pilot program during that 1-year period. The report shall include an assessment of the matters set forth in paragraphs (1) and (2) of subsection (b).

(2) In preparing the report required by paragraph (1), the Chief of the National Guard Bureau shall coordinate with the Governor of each State, Territory, and the Commonwealth of Puerto Rico in which a National Guard civilian youth opportunities program is carried out under the pilot program and, if such a program is carried out in the District of Columbia, with the commanding general of the District of Columbia National Guard.

(m) DEFINITIONS.—In this section, the terms "Territory" and "full-time National Guard duty" have the meanings given those terms in section 101 of title 32, United States Code.

(n) AUTHORIZATION OF APPROPRIATIONS.—Of the funds authorized to be appropriated under section 301, $50,000,000 shall be available for the pilot program for fiscal year 1993.

SEC. 1082. CIVILIAN COMMUNITY CORPS.

(a) CIVILIAN COMMUNITY CORPS.—(1) Title I of the National and Community Service Act of 1990 (42 U.S.C. 12510 et seq.) is amended by adding at the end the following new subtitle:

"Subtitle H—Civilian Community Corps

"SEC. 195. PURPOSE.

"It is the purpose of this subtitle to establish a Civilian Community Corps to provide a basis for determining—

"(1) whether residential service programs administered by the Federal Government can significantly increase the support for national service and community service by the people of the United States;

"(2) whether such programs can expand the opportunities for willing young men and women to perform meaningful, direct, and consequential acts of community service in a manner that will enhance their own skills while contributing to their understanding of civic responsibility in the United States; and

"(3) whether retired members and former members of the Armed Forces of the United States, members and former members of the Armed Forces discharged or released from active duty in connection with reduced Department of Defense spending, members and former members of the Armed Forces discharged or transferred from the Selected Reserve of the Ready Reserve in connection with reduced Department of Defense spending, and other members of the Armed Forces not on active duty and not actively participating in a reserve component of the Armed Forces can provide guidance and training under such programs that contribute meaningfully to the encouragement of national and community service.

"SEC. 195A. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

"(a) IN GENERAL.—The Commission on National and Community Service shall establish the Civilian Community Corps Demonstration Program to carry out the purpose of this subtitle.

"(b) PROGRAM COMPONENTS.—Under the Civilian Community Corps Demonstration Program the members of a Civilian Community Corps shall receive training and perform service in at least one of the following 2 program components:

"(1) A national service program.

"(2) A summer national service program.

"(c) RESIDENTIAL PROGRAMS.—Both program components are residential programs. The members of the Corps in each program shall reside with other members of the Corps in Corps housing during the periods of the members' agreed service.

"SEC. 195B. NATIONAL SERVICE PROGRAM.

"(a) IN GENERAL.—Under the national service program, high school graduates and other youths between 17 and 25 years of age who are from economically, geographically, and ethnically diverse backgrounds shall work in teams on Civilian Community Corps projects.

"(b) PERIOD OF PARTICIPATION.—Persons desiring to participate in the national service program shall enter into an agreement with the Director to participate in the Corps for a period of not less than 9 months and not more than 1 year, as specified by the Director, and may renew the agreement for not more than 1 additional such period.

"SEC. 195C. SUMMER NATIONAL SERVICE PROGRAM.

"(a) IN GENERAL.—Under the summer national service program, a diverse group of youth between 14 and 18 years of age who are from urban or rural areas shall work in teams on Civilian Community Corps projects.

"(b) NECESSARY PARTICIPANTS.—The participants in the summer national service program shall include a significant number of economically disadvantaged youths.

"(c) SEASONAL PROGRAM.—The training and service of Corps members under the summer national service program in each year shall be conducted after April 30 and before October 1 of that year.

"SEC. 195D. CIVILIAN COMMUNITY CORPS.

"(a) DIRECTOR.—The Civilian Community Corps shall be under the direction of the Director of the Civilian Community Corps appointed pursuant to section 195H(c)(1).

"(b) MEMBERSHIP IN CIVILIAN COMMUNITY CORPS.—

"(1) PARTICIPANTS TO BE MEMBERS.— Persons participating in the national service program or the summer national service program shall be members of the Civilian Community Corps.

"(2) SELECTION OF MEMBERS.—The Director or the Director's designee shall select individuals for membership in the Corps.

"(3) APPLICATION FOR MEMBERSHIP.—To be selected to become a Corps member an individual shall submit an application to the Director or to any other office as the Director may designate, at such time, in such manner, and containing such information as the Director shall require. At a minimum, the application shall contain information about the work experience of the applicant and sufficient information to enable the Director, or the superintendent of the appropriate camp, to determine whether selection of the applicant for membership in the Corps is appropriate.

"(c) ORGANIZATION OF CORPS INTO UNITS.—

"(1) UNITS.—The Corps shall be divided into permanent units. Each Corps member shall be assigned to a unit.

"(2) UNIT LEADERS.—The leader of each unit shall be selected from among persons in

the permanent cadre established pursuant to section 195H(c)(2). The designated leader shall accompany the unit throughout the period of agreed service of the members of the unit.

"(d) CAMPS.—

"(1) UNITS TO BE ASSIGNED TO CAMPS.—The units of the Corps shall be grouped together as appropriate in camps for operational, support, and boarding purposes. The Corps camp for a unit shall be in a facility or central location established as the operational headquarters and boarding place for the unit. Corps members may be housed in the camps.

"(2) CAMP SUPERINTENDENT.—There shall be a superintendent for each camp. The superintendent is the head of the camp.

"(3) ELIGIBLE SITE FOR CAMP.—A camp may be located in a facility referred to in section 195K(a)(3).

"(e) DISTRIBUTION OF UNITS AND CORPS.—The Director shall ensure that the Corps units and camps are distributed in urban areas and rural areas in various regions throughout the United States.

"(f) STANDARDS OF CONDUCT.—

"(1) IN GENERAL.—The superintendent of each camp shall establish and enforce standards of conduct to promote proper moral and disciplinary conditions in the camp.

"(2) SANCTIONS.—Under procedures prescribed by the Director, the superintendent of a camp may—

"(A) transfer a member of the Corps in that camp to another unit or camp if the superintendent determines that the retention of the member in the member's unit or in the superintendent's camp will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members in that unit or camp, as the case may be; or

"(B) dismiss a member of the Corps from the Corps if the superintendent determines that retention of the member in the Corps will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members.

"(3) APPEALS.—Under procedures prescribed by the Director, a member of the Corps may appeal to the Director a determination of a camp superintendent to transfer or dismiss the member. The Director shall provide for expeditious disposition of appeals under this paragraph.

"SEC. 195E. TRAINING.

"(a) COMMON CURRICULUM.—Each member of the Civilian Community Corps shall be provided with between 3 and 6 weeks of training that includes a comprehensive service-learning curriculum designed to promote team building, discipline, leadership, work, training, citizenship, and physical conditioning.

"(b) ADVANCED SERVICE TRAINING.—

"(1) NATIONAL SERVICE PROGRAM.—Members of the Corps participating in the national service program shall receive advanced training in basic, project-specific skills that the members will use in performing their community service projects.

"(2) SUMMER NATIONAL SERVICE PROGRAM.—Members of the Corps participating in the summer national service program shall not receive advanced training referred to in paragraph (1) but, to the extent practicable, may receive other training.

"(c) TRAINING PERSONNEL.—

"(1) IN GENERAL.—Members of the cadre appointed under section 195H(c)(2) shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members' periods of agreed service.

"(2) COORDINATION WITH OTHER ENTITIES.—Members of the cadre may provide the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, or other qualified individuals.

"(d) FACILITIES.—The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 195K(a)(3).

"SEC. 195F. SERVICE PROJECTS.

"(a) PROJECT REQUIREMENTS.—The service projects carried out by the Civilian Community Corps shall—

"(1) meet an identifiable public need;

"(2) emphasize the performance of community service activities that provide meaningful community benefits and opportunities for service learning and skills development;

"(3) to the maximum extent practicable, encourage work to be accomplished in teams of diverse individuals working together; and

"(4) include continued education and training in various technical fields.

"(b) PROJECT PROPOSALS.—

"(1) DEVELOPMENT OF PROPOSALS.—

"(A) SPECIFIC EXECUTIVE DEPARTMENTS.—The Secretary of Agriculture, the Secretary of the Interior, and the Secretary of Housing and Urban Development shall develop proposals for Corps projects pursuant to guidance which the Director of the Civilian Community Corps shall prescribe.

"(B) OTHER SOURCES.—Other public and private organizations and agencies, including representatives of local communities in the vicinity of a Corps camp, may develop proposals for projects for a Corps camp. Corps members shall also be encouraged to identify projects for the Corps.

"(2) CONSULTATION REQUIREMENTS.—The process for developing project proposals under paragraph (1) shall include consultation with the Commission on National and Community Service, representatives of local communities, and persons involved in other youth service programs.

"(c) PROJECT SELECTION, ORGANIZATION, AND PERFORMANCE.—

"(1) SELECTION.—The superintendent of a Corps camp shall select the projects to be performed by the members of the Corps assigned to the units in that camp. The superintendent shall select projects from among the projects proposed or identified pursuant to subsection (b).

"(2) INNOVATIVE LOCAL ARRANGEMENTS FOR PROJECT PERFORMANCE.—The Director shall encourage camp superintendents to negotiate with representatives of local communities, to the extent practicable, innovative arrangements for the performance of projects. The arrangements may provide for cost-sharing and the provision by the communities of in-kind support and other support.

"SEC. 195G. AUTHORIZED BENEFITS FOR CORPS MEMBERS.

"(a) IN GENERAL.—The Director of the Civilian Community Corps shall provide for members of the Civilian Community Corps to receive benefits authorized by this section.

"(b) LIVING ALLOWANCE.—The Director shall provide a living allowance to members of the Corps for the period during which such members are engaged in training or any activity on a Corps project. The Director shall establish the amount of the allowance at any amount not in excess of the amount equal to 100 percent of the poverty line that is applicable to a family of two (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(c) OTHER AUTHORIZED BENEFITS.—While receiving training or engaging in service projects as members of the Civilian Community Corps, members may be provided the following benefits:

"(1) Allowances for travel expenses, personal expenses, and other expenses.

"(2) Quarters.

"(3) Subsistence.

"(4) Transportation.

"(5) Equipment.

"(6) Clothing.

"(7) Recreational services and supplies.

"(8) Other services.

"(d) SUPPORTIVE SERVICES.—To the extent practicable and as the Director determines appropriate, the Director shall provide each member of the Corps with health care services, child care services, counseling services, and other supportive services.

"(e) POST SERVICE BENEFITS.—Upon completion of the agreed period of service with the Corps, a member shall elect to receive the educational assistance under subsection (f) or the cash benefit under subsection (g).

"(f) EDUCATIONAL ASSISTANCE.—

"(1) AUTHORITY.—

"(A) CORPS MEMBERS COMPLETING AGREED SERVICE.—The Director shall provide educational assistance to each Corps member who—

"(i) completes a period of agreed service in the Corps; and

"(ii) elects to receive the assistance.

"(B) CORPS MEMBERS NOT COMPLETING AGREED SERVICE.—The Director may provide educational assistance to a Corps member who—

"(i) does not complete the period of agreed service; and

"(ii) requests the assistance.

"(2) AMOUNT.—

"(A) NATIONAL SERVICE PROGRAM.—The amount of the educational assistance provided to a Corps member under paragraph (1)(A) shall be—

"(i) in the case of a Corps member in the National Service Program, $5,000 for each period of agreed service in the Corps; and

"(ii) in the case of a Corps member in the Summer National Service Program, $1,000 for each period of agreed service in the Corps.

"(B) PRORATED AMOUNT FOR INCOMPLETE SERVICE.—The amount of the educational assistance provided to a Corps member under paragraph (1)(B) shall be determined by multiplying—

"(i) the amount that would be applicable to the member under subparagraph (A) if the member had completed the agreed period of service, by

"(ii) the percentage determined by dividing the period of the Corps member's service by the period of the Corps member's agreed period of service.

"An amount that is not an even multiple of $1 shall be rounded down to the next lower even multiple of $1.

"(C) ADJUSTMENT OF AMOUNT.—To the extent provided in appropriations Acts, whenever the maximum permissible grant amount for a year under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.) is increased, the amount of the educational assistance payment under subparagraph (A)(i) shall be increased to the amount equal to the sum of that maximum permissible grant amount (as increased) plus $2,500.

"(3) USES OF ASSISTANCE.—Educational assistance provided for a person under this subsection may be used only for—

"(A) payment of any student loan, whether from a Federal source or a non-Federal source; or

"(B) tuition, room and board, books and fees, and other costs of attendance (determined in accordance with section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll)) that are associated with attendance at an institution of higher education on a full-time basis.

"(4) APPLICATION.—To receive educational assistance under this section, a person shall submit to the Director such information and documentation as the Director may require. In the case of use of the educational assistance for expenses referred to in paragraph (3)(B), the information submitted to the Director shall include, as a minimum, the academic program and institution of higher education at which the educational assistance is to be used.

"(g) CASH BENEFIT.—

"(1) IN GENERAL.—The Director shall provide a cash benefit to each Corps member electing to receive the cash benefit.

"(2) AMOUNT.—The amount of the cash benefit payable to a member of the Corps shall be equal to 50 percent of the amount of the educational assistance that the member would have been entitled to receive under subsection (f) if the member had elected to receive the educational assistance.

"(h) OTHER POST SERVICE BENEFITS.—To the extent the Director considers appropriate, upon a Corps member's completion of the agreed period of service with the Corps, the Director shall provide the member with—

"(1) assistance for the member to pursue a high school diploma or the equivalent;

"(2) in addition to any educational assistance under subsection (f), other assistance for the member to pursue a degree at an institution of higher education; or

"(3) assistance for the member to obtain employment and support services as necessary and appropriate.

"SEC. 195H. ADMINISTRATIVE PROVISIONS.

"(a) BOARD.—The Board shall monitor and supervise the administration of the Civilian Community Corps Demonstration Program established under this subtitle. In carrying out this section, the Board shall—

"(1) approve such guidelines, recommended by the Director, for the design, selection of members, and operation of the Civilian Community Corps as the Board considers appropriate;

"(2) evaluate the progress of the Corps in providing a basis for determining the matters set forth in section 195; and

"(3) carry out any other activities determined appropriate by the Board.

"(b) EXECUTIVE DIRECTOR.—The Executive Director of the Commission on National and Community Service shall—

"(1) monitor the overall operation of the Civilian Community Corps;

"(2) coordinate the activities of the Corps with other youth service programs administered by the Commission; and

"(3) carry out any other activities determined appropriate by the Board.

"(c) STAFF.—

"(1) DIRECTOR.—

"(A) APPOINTMENT.—The Board, in consultation with the Executive Director, shall appoint a Director of the Civilian Community Corps. The Director may be selected from among retired commissioned officers of the Armed Forces of the United States.

"(B) DUTIES.—The Director shall—

"(i) design, develop, and administer the Civilian Community Corps programs;

"(ii) be responsible for managing the daily operations of the Corps; and

"(iii) report to the Board through the Executive Director.

"(C) AUTHORITY TO EMPLOY STAFF.—The Director may employ such staff as is necessary to carry out this subtitle. The Director shall, to the maximum extent practicable, utilize in staff positions personnel who are detailed from departments and agencies of the Federal Government and, to the extent the Director considers appropriate, shall request and accept detail of personnel from such departments and agencies in order to do so.

"(2) PERMANENT CADRE.—

"(A) ESTABLISHMENT.—The Director shall establish a permanent cadre of supervisors and training instructors for Civilian Community Corps programs.

"(B) APPOINTMENT.—The Director shall appoint the members of the permanent cadre.

"(C) EMPLOYMENT CONSIDERATIONS.—In appointing individuals to cadre positions, the Director shall—

"(i) give consideration to retired, discharged, and other inactive members and former members of the Armed Forces recommended under section 195K(a)(2);

"(ii) give consideration to former VISTA, Peace Corps, and youth service program personnel;

"(iii) ensure that the cadre is comprised of males and females of diverse ethnic, economic, professional, and geographic backgrounds; and

"(iv) consider applicants' experience in other youth service programs.

"(D) COMMUNITY SERVICE CREDIT.—Service as a member of the cadre shall be considered as a community service opportunity for purposes of section 534 of the National Defense Authorization Act for Fiscal Year 1993 and as employment with a public service or community service organization for purposes of section 535 of that Act.

"(3) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director, the members of the permanent cadre, and the other staff personnel shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The rates of pay of such persons may be established without regard to the provisions of chapter 53 of such title.

"(4) VOLUNTARY SERVICES.—Notwithstanding any other provision of law, the Director may accept the voluntary services of individuals. While away from their homes or regular places of business on the business of the Corps, such individuals may be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"SEC. 195I. STATUS OF CORPS MEMBERS AND CORPS PERSONNEL UNDER FEDERAL LAW.

"(a) IN GENERAL.—Except as otherwise provided in this section, members of the Civilian Community Corps shall not, by reason of their status as such members, be considered Federal employees or be subject to the provisions of law relating to Federal employment.

"(b) WORK-RELATED INJURIES.—

"(1) IN GENERAL.—For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, members of the Corps shall be considered as employees of the United States within the meaning of the term 'employee', as defined in section 8101 of such title.

"(2) SPECIAL RULE.—In the application of the provisions of subchapter I of chapter 81 of title 5, United States Code, to a person referred to in paragraph (1), the person shall not be considered to be in the performance of duty while absent from the person's assigned post of duty unless the absence is authorized in accordance with procedures prescribed by the Director.

"(c) TORT CLAIMS PROCEDURE.—A member of the Corps shall be considered an employee of the United States for purposes of chapter 171 of title 28, United States Code, relating to tort claims liability and procedure.

"SEC. 195J. CONTRACT AND GRANT AUTHORITY.

"(a) PROGRAMS.—The Director may, by contract or grant, provide for any public or private organization to perform any program function under this subtitle.

"(b) EQUIPMENT AND FACILITIES.—

"(1) FEDERAL AND NATIONAL GUARD PROPERTY.—The Director shall enter into agreements, as necessary, with the Secretary of Defense, the Governor of a State, territory or commonwealth, or the commanding general of the District of Columbia National Guard, as the case may be, to utilize—

"(A) equipment of the Department of Defense and equipment of the National Guard; and

"(B) Department of Defense facilities and National Guard facilities identified pursuant to section 195K(a)(3).

"(2) OTHER PROPERTY.—The Director may enter into contracts or agreements for the use of other equipment or facilities to the extent practicable to train and house members of the Civilian Community Corps and leaders of Corps units.

"SEC. 195K. RESPONSIBILITIES OF OTHER DEPARTMENTS.

"(a) SECRETARY OF DEFENSE.—

"(1) LIAISON OFFICE.—

"(A) ESTABLISHMENT.—The Secretary of Defense shall establish an office to provide for liaison between the Secretary and the Civilian Community Corps.

"(B) DUTIES.—The office shall—

"(i) in order to assist in the recruitment of personnel for appointment in the permanent cadre, make available to the Director information in the registry established by section 531 of the National Defense Authorization Act for Fiscal Year 1993;

"(ii) provide other assistance in the coordination of Department of Defense activities with the Corps; and

"(iii) encourage Armed Forces recruiters to inform potential applicants for the Corps regarding service in the Corps as an alternative to service in the Armed Forces.

"(2) CORPS CADRE.—

"(A) LIST OF RECOMMENDED PERSONNEL.—The Secretary of Defense, in consultation with the liaison office established under paragraph (1) shall develop a list of individuals to be recommended for appointment in the permanent cadre of Corps personnel. Such personnel shall be selected from among members and former members of the Armed Forces referred to in section 195(3) who are commissioned officers, noncommissioned officers, former commissioned officers, or former noncommissioned officers.

"(B) RECOMMENDATIONS REGARDING GRADE AND PAY.—The Secretary of Defense shall recommend to the Director an appropriate rate of pay for each person recommended for the cadre pursuant to this paragraph.

"(C) CONTRIBUTION FOR RETIRED MEMBER'S PAY.—If a listed individual receiving retired or retainer pay is appointed to a position in the cadre and the rate of pay for that individual is established at the amount equal to

the difference between the active duty pay and allowances which that individual would receive if ordered to active duty and the amount of the individual's retired or retainer pay, the Secretary of Defense shall pay, by transfer to the Commission on National and Community Service from amounts available for pay of active duty members of the Armed Forces, the amount equal to 50 percent of that individual's rate of pay for service in the cadre.

"(3) FACILITIES.—The Secretary of Defense, in consultation with the liaison office established under paragraph (1), shall identify, with the concurrence of the Secretary of the military department concerned, military installations and other facilities of the Department of Defense and, with the concurrence of the Chief of the National Guard Bureau, National Guard facilities that may be used, in whole or in part, by the Civilian Community Corps for training or housing Corps members. The installations and facilities need not be excess capacity or excess or surplus property.

"(b) SECRETARY OF LABOR.—The Secretary of Labor shall identify and assist in establishing a system for the recruitment of persons to serve as members of the Civilian Community Corps. In carrying out this subsection, the Secretary of Labor may utilize the Employment Service Agency or the Office of Job Training.

"SEC. 195L. ADVISORY BOARD.

"(a) ESTABLISHMENT AND PURPOSE.—There is established a Civilian Community Corps Advisory Board to advise the Director of the Civilian Community Corps concerning the administration of this subtitle and to assist in the development and administration of the Corps.

"(b) MEMBERSHIP.—The Advisory Board shall be composed of the following members:

"(1) The Secretary of Labor.

"(2) The Secretary of Defense.

"(3) The Secretary of the Interior.

"(4) The Secretary of Agriculture.

"(5) The Secretary of Education.

"(6) The Secretary of Housing and Urban Development.

"(7) The Chief of the National Guard Bureau.

"(8) Individuals appointed by the Director from among persons who are broadly representative of educational institutions, voluntary organizations, industry, youth, and labor unions.

"(9) The Chair of the Commission on National and Community Service.

"(c) INAPPLICABILITY OF TERMINATION REQUIREMENT.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Board.

"SEC. 195M. ANNUAL EVALUATION.

"Pursuant to the provisions for evaluations conducted under section 179, and in particular subsection (g) of such section, the Commission on National and Community Service shall conduct an annual evaluation of the Civilian Community Corps programs under this subtitle.

"SEC. 195N. FUNDING LIMITATION.

"The Commission, in consultation with the Director, shall ensure that no amounts appropriated under section 501 are utilized to carry out this subtitle.

"SEC. 195O. DEFINITIONS.

"In this subtitle:

"(1) BOARD.—The term 'Board' means the Board of Directors of the Commission on National and Community Service.

"(2) CORPS.—The term 'Corps' means the Civilian Community Corps established under the Civilian Community Corps Demonstration Program.

"(3) CORPS CAMP.—The term 'Corps camp' means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

"(4) CORPS MEMBERS.—The term 'Corps members' means persons receiving training and participating in projects under the Civilian Community Corps Demonstration Program.

"(5) DIRECTOR.—The term 'Director' means the Director of the Civilian Community Corps.

"(6) EXECUTIVE DIRECTOR.—The term 'Executive Director' means the Executive Director of the Commission on National and Community Service.

"(7) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

"(8) PROGRAM.—The term 'Program' means the Civilian Community Corps Demonstration Program established under section 195A.

"(9) SERVICE LEARNING.—The term 'service learning', with respect to Corps members, means a method—

"(A) under which Corps members learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs;

"(B) that provides structured time for a Corps member to think, talk, or write about what the Corps member did and saw during an actual service activity;

"(C) that provides Corps members with opportunities to use newly acquired skills and knowledge in real life situations in their own communities; and

"(D) that helps to foster the development of a sense of caring for others, good citizenship, and civic responsibility.

"(10) SUPERINTENDENT.—The term 'superintendent', with respect to a Corps camp, means the head of the camp under section 195D(d).

"(11) UNIT.—The term 'unit' means a unit of the Corps referred to in section 195D(c).".

(2) TABLE OF CONTENTS.—The table of contents in section 1(b) of the National and Community Service Act of 1990 is amended by inserting after the item relating to section 190 the following:

"SUBTITLE H—CIVILIAN COMMUNITY CORPS

"Sec. 195. Purpose.
"Sec. 195A. Establishment of demonstration program.
"Sec. 195B. National service program.
"Sec. 195C. Summer national service program.
"Sec. 195D. Civilian Community Corps.
"Sec. 195E. Training.
"Sec. 195F. Service projects.
"Sec. 195G. Authorized benefits for Corps members.
"Sec. 195H. Administrative provisions.
"Sec. 195I. Status of Corps members and Corps personnel under Federal law.
"Sec. 195J. Contract and grant authority.
"Sec. 195K. Responsibilities of other departments.
"Sec. 195L. Advisory board.
"Sec. 195M. Annual evaluation.
"Sec. 195N. Funding limitation.
"Sec. 195O. Definitions.".

(b) REPORT AND STUDY REQUIREMENTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Commission on National Community Service shall prepare and submit to the appropriate committees of Congress a progress report on the implementation of the provisions of subtitle I of the National and Community Service Act of 1990 (as added by subsection (a)). The progress report shall include an assessment of the activities undertaken in establishing and administering Civilian Community Corps camps and an analysis of the level of coordination of Corps activities with activities of other departments or agencies of the Federal Government.

(2) Not later than 90 days after the end of the 1-year period beginning on the first day of the Civilian Community Corps Demonstration Program established pursuant to section 195A of the National and Community Services Act of 1990 (as added by subsection (a)), the Board of Directors of the Commission on National and Community Service and the Director of the Civilian Community Corps shall prepare and submit to the appropriate committees of Congress a report concerning the desirability and feasibility of establishing the Civilian Community Corps as an independent agency of the Federal Government.

(c) FUNDING.—Of the amount authorized to be appropriated for fiscal year 1993 in section 301, $50,000,000 shall be available for the Civilian Community Corps Demonstration Program established pursuant to section 195A of the National and Community Service Act of 1990 (as added by subsection (a)).

SEC. 1083. COORDINATION OF PROGRAMS.

(a) COORDINATED ADMINISTRATION.—To the maximum extent practicable, the Chief of the National Guard Bureau, the Board of Directors and Executive Director of the Commission on National and Community Service, and the Director of the Civilian Community Corps shall coordinate the National Guard Youth Opportunities Program established pursuant to section 1081 and the Civilian Community Corps Demonstration Program established pursuant to section 195A of the National and Community Service Act of 1990 (as added by section 1082(a)).

(b) OBJECTIVES.—The officials referred to in subsection (a) shall ensure that—

(1) the programs referred to in subsection (a) are conducted in such a manner in relationship to each other that the public benefit of those programs is maximized;

(2) to the maximum extent appropriate to meet the needs of program participants, persons who complete participation in the National Guard Youth Opportunities Program and are eligible and apply to participate in the Civilian Community Corps under the Civilian Community Corps Demonstration Program are accepted for participation in that Program; and

(3) the programs referred to in subsection (a) are conducted simultaneously in competition with each other in the same immediate area of the United States only when the population of eligible participants in that area is sufficient to justify the simultaneous conduct of such programs in that area.

SEC. 1084. OTHER PROGRAMS OF THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) INCREASED COMMISSION ACTIVITIES.—It is the purpose of this section to increase the ability of the Commission on National and Community Service to expand non-residential programs that perform worthwhile urban and rural community projects that assist in the economic transition of localities affected by Department of Defense conversion. The Commission may also explore the potential for developing a program that would permit members of the Civilian Community Corps established under subtitle H of title I of the National and Community Serv-

ices Act of 1990, as added by section 1082, to provide training to such participants at residential facilities and return them to their local communities for the service portion of their period of agreed service. To the extent practicable, such effort shall be coordinated with the National Guard Civilian Youth Opportunities Program authorized by section 1801 and with the Civilian Community Corps Demonstration Program established under section 195A the National and Community Services Act of 1990, as added by section 1082.

(b) FUNDING AND USE OF FUNDS.—(1) Of the amount authorized to be appropriated for fiscal year 1993 in section 301, $50,000,000 shall be available to the Board of Directors of the Commission on National and Community Service for activities under subtitles B, C, D, E, F, and G of the National and Community Service Act of 1990 (42 U.S.C. 12510 et seq.). Such amount shall be in addition to, and not a substitute for, amounts authorized to be appropriated under section 501 of such Act (42 U.S.C. 12681).

(2) In the use of the funds made available under paragraph (1), the Commission shall give special consideration to—

(A) programs located in communities where facilities of military installation (as defined in section 2687(e)(1) of title 10, United States Code) have been closed;

(B) programs that employ retired, inactive, or discharged military personnel;

(C) programs that involve military personnel participating in volunteer services;

(D) programs that test whether a non-residential, community based youth service corps can engender in young men and women a commitment to civic responsibility and involvement in their communities;

(E) programs that test whether such non-residential corps permit young people who have received military-based training to use their skills and knowledge to improve their communities; and

(F) programs that test whether retired, discharged or inactive members and former members of the Armed Forces can play a meaningful role in service-learning by acting as mentors, teachers, counselors and role models.

SEC. 1085. LIMITATION ON OBLIGATION OF FUNDS.

(a) CIVILIAN COMMUNITY CORPS DEMONSTRATION PROGRAM.—Funds made available pursuant to section 1082(c) may not be obligated during fiscal year 1993 for the Civilian Community Corps Demonstration Program under subtitle H of title I of the National and Community Service Act of 1990 (as added by section 1082(a)), unless expenditures for that program during fiscal year 1993 have been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) OTHER COMMISSION ON NATIONAL AND COMMUNITY SERVICE PROGRAMS.—Funds made available pursuant to section 1084(b) may not be obligated during fiscal year 1993 for activities under subtitles B, C, D, E, F, and G of the National and Community Service Act of 1990 (42 U.S.C. 12510 et seq.), unless expenditures for such activities during fiscal year 1993 have been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle G—Nuclear Proliferation Control

SEC. 1091. IMPOSITION OF SANCTIONS.

(a) DETERMINATION BY THE PRESIDENT.—

(1) IN GENERAL.—Except as provided in subsection (b)(2), the President shall impose the applicable sanctions described in subsection (c) if the President determines that a foreign person or a United States person, on or after the date of the enactment of this section, has materially and with requisite knowledge contributed—

(A) through the export from the United States of any goods or technology that are subject to the jurisdiction of the United States, or

(B) through the export from any other country of any goods or technology that would be, if they were exported from the United States, subject to the jurisdiction of the United States,

to the efforts by any individual, group, or non-nuclear-weapon state to acquire unsafeguarded special nuclear material or to use, develop, produce, stockpile, or otherwise acquire any nuclear explosive device, whether or not the goods or technology is specifically designed or modified for that purpose.

(2) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—Sanctions shall be imposed pursuant to paragraph (1) on—

(A) the foreign person or United States person with respect to which the President makes the determination described in that paragraph;

(B) any successor entity to that foreign person or United States person;

(C) any foreign person or United States person that is a parent or subsidiary of that person if that parent or subsidiary materially and with requisite knowledge assisted in the activities which were the basis of that determination; and

(D) any foreign person or United States person that is an affiliate of that person if that affiliate materially and with requisite knowledge assisted in the activities which were the basis of that determination and if that affiliate is controlled in fact by that foreign person.

(3) OTHER SANCTIONS AVAILABLE.—The sanctions which may be imposed for activities described in this subsection are in addition to any other sanction which may be imposed for the same activities under any other provision of law.

(4) DEFINITION.—For purposes of this subsection, the term "requisite knowledge" includes situations in which a person "knows", as "knowing" is defined in section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2) or has "reason to know" the effect of such person's actions.

(b) CONSULTATION WITH AND ACTIONS BY FOREIGN GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a)(1) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this section for up to 90 days. Following these consultations, the President shall impose sanctions unless the President determines and certifies to the Congress that that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subsection (a)(1). The President may delay the imposition of sanctions for up to an additional 90 days if the President determines and certifies to the Congress that that government is in the process of taking the actions described in the previous sentence.

(3) REPORT TO CONGRESS.—Not later than 90 days after making a determination under subsection (a)(1), the President shall submit to the Committee on Foreign Relations and the Committee on Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on the status of consultations with the appropriate government under this subsection, and the basis for any determination under paragraph (2) of this subsection that such government has taken specific corrective actions.

(c) SANCTIONS.—

(1) DESCRIPTION OF SANCTIONS.—The sanctions to be imposed pursuant to subsection (a)(1) are, except as provided in paragraph (3) of this subsection, that the United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from any person described in subsection (a)(2).

(2) DESCRIPTION OF SANCTIONS ON UNITED STATES PERSONS.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the United States person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2).

(3) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(ii) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

(C) to—

(i) spare parts which are essential to United States products or production,

(ii) component parts, but not finished products, essential to United States products or production, or

(iii) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(D) to information and technology essential to United States products or production; or

(E) to medical or other humanitarian items.

(d) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to this section shall apply for a period of at least 12 months following the imposition of sanctions and shall cease to apply thereafter only if the President determines and certifies to the Congress that—

(1) reliable information indicates that the foreign person or United States person with respect to which the determination was made under subsection (a)(1) has ceased to aid or abet any individual, group, or non-nuclear-weapon state in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in that subsection; and

(2) the President has received reliable assurances from the foreign person or United States person, as the case may be, that such person will not, in the future, aid or abet any individual, group, or non-nuclear-weapon state in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in subsection (a)(1).

(e) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive the application of any sanction imposed on any person pursuant to this section, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to the Congress that the continued imposition of the sanction would have a serious adverse effect on vital United States interests.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

(f) DEFINITIONS.—For the purposes of this section—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the term "United States person" means—

(A) an individual who is a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is not a foreign person.

SEC. 1092. ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States executive director to each of the international financial institutions described in section 701(a) of the International Financial Institutions Act (22 U.S.C. 262d(a)) to use the voice and vote of the United States to oppose any direct or indirect use of the institution's funds to promote the acquisition of unsafeguarded special nuclear material or the development, stockpiling, or use of any nuclear explosive device by any non-nuclear-weapon state.

(b) DUTIES OF UNITED STATES EXECUTIVE DIRECTORS.—Section 701(b)(3) of the International Financial Institutions Act (22 U.S.C. 262d(b)(3)) is amended to read as follows:

"(3) whether the recipient country—

"(A) is seeking to acquire unsafeguarded special nuclear material (as defined in section 11(6) of the Omnibus Nuclear Proliferation Control Act of 1992) or a nuclear explosive device (as defined in section 11(3) of that Act);

"(B) is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons; or

"(C) has detonated a nuclear explosive device; and".

SEC. 1093. AMENDMENTS TO THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT AND THE FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991.

(a) BASIS FOR DECLARATION OF NATIONAL EMERGENCY.—Section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) is amended by adding at the end thereof the following new subsection:

"(c) For the purpose of this section, the term 'any unusual and extraordinary threat' includes any international event that the President determines may involve the detonation by a non-nuclear-weapon state of a nuclear explosive device (as defined in section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992) or an action or activity that substantially contributes to the likelihood of the proliferation or detonation of such devices, including the acquisition by a non-nuclear-weapon state of unsafeguarded special nuclear material (as defined in section 11(6) of that Act).".

(b) SANCTIONS ON FINANCIAL INSTITUTIONS.—The Federal Deposit Insurance Corporation Improvement Act of 1991 is amended by adding at the end thereof the following new title:

"TITLE VI—SANCTIONS ON FINANCIAL INSTITUTIONS

"SEC. 601. PRESIDENTIAL DETERMINATION.

"(a) IN GENERAL.—The prohibitions in section 603 shall be imposed on a financial institution if the President determines that such financial institution, on or after the date of the enactment of this section, has materially and with requisite knowledge contributed, through provision of financing or other services, to the efforts by any individual, group, or non-nuclear-weapon state to acquire unsafeguarded special nuclear material or to use, develop, produce, stockpile, or otherwise acquire any nuclear explosive device as these standards and terms are defined and would be applied under section 2 of the Omnibus Nuclear Proliferation Control Act of 1992.

"(b) PRESIDENTIAL ORDER.—Whenever the President makes a determination under subsection (a) with respect to a financial institution, the President shall issue an order specifying a date within 180 days of such determination on which the prohibitions in section 603 shall begin to apply to such institution.

"SEC. 602. ADDITIONAL ENTITIES AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.

"The prohibitions described in section 603 shall also be imposed, pursuant to section 601, on—

"(1) any successor entity to the financial institution with respect to which the President makes such determination;

"(2) any foreign person or United States person that is a parent or subsidiary of such financial institution if that parent or subsidiary materially and with requisite knowledge assisted in the activities which were the basis of such determination; and

"(3) any foreign person or United States person that is an affiliate of such financial institution if that affiliate materially and with requisite knowledge assisted in the activities which were the basis of such determination and if that affiliate is controlled in fact by such financial institution.

"SEC. 603. PROHIBITIONS.

"The following prohibitions shall apply to a financial institution subject to a determination described in section 601 and to related entities described in section 602:

"(1) BAN ON DEALINGS IN GOVERNMENT FINANCE.—

"(A) DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

"(B) GOVERNMENT FUNDS.—Such financial institution shall not serve as agent of the United States Government or serve as repository for United States Government funds.

"(2) RESTRICTIONS ON OPERATIONS.—Such financial institution shall not, directly or indirectly—

"(A) commence any line of business in the United States in which it was not engaged as of the date of the determination; or

"(B) conduct business from any location in the United States at which it did not conduct business as of the date of the determination.

"SEC. 604. CONDITIONS AND TERMINATION OF SANCTIONS.

"The same requirements for consultation with the foreign government of jurisdiction, where appropriate, and for termination of sanctions shall apply under this title as are provided in subsections (b) and (d), respectively, of section 2 of the Omnibus Nuclear Proliferation Control Act of 1992.

"SEC. 605. WAIVER.

"The President may waive the imposition of any prohibition imposed on any financial institution or other person pursuant to section 601 or 602 if the President determines and certifies to the Congress that the imposition of such prohibition would have a serious adverse effect on the safety and soundness of the domestic or international financial system or on domestic or international payments systems.

"SEC. 606. DEFINITIONS.

"As used in this title—

"(1) the term 'financial institution' includes—

"(A) a depository institution, including a branch or agency of a foreign bank;

"(B) a securities firm, including a broker or dealer;

"(C) an insurance company, including an agency or underwriter;

"(D) any other company that provides financial services; or

"(E) any subsidiary thereof; and

"(2) the term 'requisite knowledge' includes situations in which a person 'knows', as 'knowing' is defined in section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2) or has 'reason to know' the effect of such person's actions.".

SEC.1094. EXPORT-IMPORT BANK.

Section 2(b)(4) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)) is amended by inserting after "device" the following: "(as defined in section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992), or that any country has willfully aided or abetted any such non-nuclear-weapon state (as defined in section 11(4) of that Act) to acquire a nuclear explosive device or to acquire unsafeguarded special nuclear material (as defined in section 11(6) of that Act).".

SEC. 1094A. ELIGIBILITY FOR ASSISTANCE.

(a) AMENDMENTS TO THE ARMS EXPORT CONTROL ACT.—(1) The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—

(A) in section 3 of such Act, by adding at the end thereof the following new subsection:

"(f) No sales or leases shall be made to any country that the President has determined is

in material breach of its commitments to the United States under international treaties or agreements concerning the non-proliferation of nuclear explosive devices (as defined in section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992) and unsafeguarded special nuclear material."; and

(B) in section 40(d) of such Act, by adding at the end thereof the following new sentence: "For the purposes of this subsection, such acts shall include all activities that the Secretary determines willfully aid or abet the international proliferation of nuclear explosive devices to individuals or groups or willfully aid or abet an individual or groups in acquiring unsafeguarded special nuclear material (as defined in section 11(6) of that Act).".

(2) Section 47 of such Act is amended—

(A) by striking out "and" at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

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

"(9) 'nuclear explosive device' has the same meaning given to that term by section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992.".

(b) AMENDMENTS TO THE FOREIGN ASSISTANCE ACT OF 1961.—

(1) Section 670(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a(a)(2)) is amended in the first sentence—

(A) by inserting "in any fiscal year" after "President"; and

(B) by inserting "during that fiscal year" after "certifies in writing".

(2) Section 670 of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a) is further amended by adding at the end thereof the following new subsection:

"(d) As used in this section, the term 'nuclear explosive device' has the same meaning given to that term by section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992.".

(3) Notwithstanding any other provision of law, Presidential Determination No. 82-7 of February 10, 1982, made pursuant to section 670(a)(2) of the Foreign Assistance Act of 1961, shall have no force or effect with respect to any grounds for the prohibition of assistance under section 670(a)(1) of such Act arising on or after the date of enactment of this Act.

(4) Section 620E(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2375(d)) is amended to read as follows:

"(d) The President may waive the prohibitions of section 669 of this Act with respect to any grounds for the prohibition of assistance under that section arising before the date of enactment of the Omnibus Nuclear Proliferation Control Act of 1992 to provide assistance to Pakistan if he determines that to do so is in the national interest of the United States.".

SEC. 1094B. ADDITIONAL AMENDMENTS TO THE FOREIGN ASSISTANCE ACT OF 1961.

(a) TECHNICAL AMENDMENTS.—Section 670(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a(b)) is amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(2) in paragraph (3)(A) (as so redesignated), by striking "paragraph (3)" and inserting "paragraph (4)"; and

(3) in paragraph (4) (as so redesignated), by striking "paragraph (2)" and inserting "paragraph (3)".

(b) ADDITIONAL SANCTIONS.—Section 670(b)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a) is amended to read as follows:

"(b)(1) Except as provided in paragraphs (3), (4), and (5), in the event that any country, after the date of enactment of the Omnibus Nuclear Proliferation Control Act of 1992—

"(A) transfers to a non-nuclear-weapon state—

"(i) a nuclear explosive device, or

"(ii) design information or components known by the transferor to be necessary for the recipient's completion of a nuclear explosive device,

"(B) is a non-nuclear-weapon state and—

"(i) receives a nuclear explosive device,

"(ii) receives design information or components necessary for the completion of a nuclear explosive device, or

"(iii) detonates a nuclear explosive device,

"(C) transfers to a non-nuclear-weapon state any design information or component (other than described in subparagraph (A)(ii)) which is determined by the President to be important to, and known by the transferring country to be intended by the recipient state for use in, the development or manufacture of any nuclear explosive device, or

"(D) is a non-nuclear-weapon state and has sought and received any design information or component (other than described in subparagraph (B)(ii)) which is determined by the President to be important to, and intended by the recipient state for use in, the development or manufacture of any nuclear explosive device,

the President shall forthwith impose sanctions against that country, including, as a minimum, those sanctions specified in paragraph (2).

"(2) The sanctions referred to in paragraph (1) are as follows:

"(A) FOREIGN ASSISTANCE.—The United States Government shall terminate assistance to that country under this Act, except for urgent humanitarian assistance or food or other agricultural commodities.

"(B) ARMS SALES.—The United States Government shall terminate—

"(i) sales to that country under the Arms Export Control Act of any defense articles, defense services, or design and construction services, and

"(ii) licenses for the export to that country of any item on the United States Munitions List.

"(C) ARMS SALES FINANCING.—The United States Government shall terminate all foreign military financing for that country under the Arms Export Control Act.

"(D) DENIAL OF UNITED STATES GOVERNMENT CREDIT OR OTHER FINANCIAL ASSISTANCE.—The United States Government shall deny to that country any credit, credit guarantees, or other financial assistance by any department, agency, or instrumentality of the United States Government, including the Export-Import Bank of the United States, except that the sanction of this subparagraph shall not apply to any transaction subject to the reporting requirements of title V of the National Security Act of 1947 (relating to congressional oversight of intelligence activities).

"(E) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The United States Government shall oppose, in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d), the extension of any loan or financial or technical assistance to that country by international financial institutions.

"(F) BANK LOANS.—The United States Government shall prohibit any United States bank from making any loan or providing any credit to the government of that country, except for loans or credits for the purpose of purchasing food or other agricultural commodities.

"(G) EXPORT PROHIBITION.—The authorities of section 6 of the Export Administration Act of 1979 shall be used to prohibit exports to that country of any goods and technology (excluding food and other agricultural commodities), except that such prohibition shall not apply to any transaction subject to the reporting requirements of title V of the National Security Act of 1947 (relating to congressional oversight of intelligence activities).".

(c) CONFORMING AMENDMENTS.—Section 670(b) of such Act (22 U.S.C. 2429a(b)) is further amended—

(1) in paragraph (3)(A) (as redesignated)—

(A) by striking "furnish assistance which would otherwise be prohibited" and inserting in lieu thereof "delay the imposition of sanctions which would otherwise be required"; and

(B) by striking "termination of assistance" and inserting in lieu thereof "imposition of sanctions";

(2) in paragraph (4) (as redesignated), by striking "termination of such assistance" and inserting in lieu thereof "imposition of such sanctions";

(3) by redesignating paragraph (5) (as redesignated by subsection (a)) as paragraph (6); and

(4) by inserting after paragraph (4) (as redesignated) the following:

"(5) Notwithstanding any other provision of law, the sanctions which are required to be imposed against a country under paragraph (1)(C) or (1)(D) shall not apply if the President determines and certifies in writing to the Committee on Foreign Relations and the Committee on Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives that the application of such sanctions against such country would have a serious adverse effect on vital United States interests. The President shall transmit with such certification a statement setting forth the specific reasons therefor.".

SEC. 1094C. REWARD.

Section 36(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(a)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C);

(2) by inserting "(1)" immediately after "(a)"; and

(3) by adding at the end thereof the following:

"(2) For purposes of this subsection, the term 'act of international terrorism' includes any act substantially contributing to the acquisition of unsafeguarded special nuclear material (as defined in section 11(6) of the Omnibus Nuclear Proliferation Control Act of 1991) or any nuclear explosive device (as defined in section 11(3) of that Act) by an individual, group, or non-nuclear-weapon state, as defined in section 11(4) of that Act.".

SEC. 1094D. REPORTS.

(a) CONTENT OF ACDA ANNUAL REPORT.—Section 52 of the Arms Control and Disarmament Act (22 U.S.C. 2592) is amended—

(1) by inserting "(a) IN GENERAL.—" after "SEC. 52.";

(2) by striking "and" at the end of paragraph (4);

(3) by striking the period at the end of paragraph (5) and inserting in lieu thereof "; and";

(4) by adding at the end of paragraph (5) the following new paragraph:

"(6) a section of the report shall deal with any material noncompliance by foreign governments with their commitments to the United States with respect to the prevention of the spread of nuclear explosive devices by non-nuclear-weapon states or the acquisition by such states of unsafeguarded special nuclear material (as defined in section 11(6) of the Omnibus Nuclear Proliferation Control Act of 1992), including—

"(A) a net assessment of the aggregate military significance of all such violations;

"(B) a statement of the compliance policy of the United States with respect to violations of those commitments; and

"(C) what actions, if any, the President has taken or proposes to take to bring any nation committing such a violation into compliance with its commitments."; and

(5) by adding at the end thereof the following new subsection:

"(b) REPORTING CONSECUTIVE NONCOMPLIANCE.—If the President in consecutive reports submitted to Congress under this section reports that any designated nation is not in full compliance with its nonproliferation commitments to the United States, then the President shall include in the second such report an assessment of what actions are necessary to compensate for such violations.".

(b) REPORTING ON DEMARCHES.—(1) It is the sense of Congress that the Department of State should, in the course of implementing its reporting responsibilities under section 602(c) of the Nuclear Non-Proliferation Act of 1978, include a summary of demarches that the United States has issued or received from foreign governments with respect to activities which are of significance from the proliferation standpoint.

(2) For purposes of this section, the term "demarche" means any official communication by one government to another, by written or oral means, intended by the originating government to express—

(A) a concern over a past, present, or possible future action or activity of the recipient government, or of a person within the jurisdiction of that government, contributing to the global spread of unsafeguarded special nuclear material or of nuclear explosive devices;

(B) a request for the recipient government to counter such action or activity; or

(C) both the concern and request described in subparagraphs (A) and (B).

SEC. 1094E. TECHNICAL CORRECTION.

Section 133(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2160c) is amended by striking out "20 kilograms" and inserting in lieu thereof "5 kilograms".

SEC. 1094F. DEFINITIONS.

For purposes of this subtitle—

(1) the term "goods and technology" includes nuclear materials and equipment and sensitive nuclear technology (as defined in section 4 of the Nuclear Non-Proliferation Act of 1978), all export items designated by the President pursuant to section 309(c) of such Act, and all technical assistance requiring authorization under section 57b. of the Atomic Energy Act of 1954;

(2) the term "IAEA safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency;

(3) the term "nuclear explosive device" means any device that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT);

(4) the term "non-nuclear-weapon state" means any country which is not a nuclear-weapon state, as defined by Article IX (3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968;

(5) the term "special nuclear material" has the meaning given to that term by section 11aa of the Atomic Energy Act of 1954 (42 U.S.C. 2014aa); and

(6) the term "unsafeguarded special nuclear material" means special nuclear material which is held in violation of IAEA safeguards or not subject to IAEA safeguards (excluding any quantity of material that could, if it were exported from the United States, be exported under a general license issued by the Nuclear Regulatory Commission).

Subtitle H—Arms Retooling and Manufacturing Support Initiative

SEC. 1095. SHORT TITLE.

This subtitle may be cited as the "Arms Retooling and Manufacturing Support Act of 1992".

SEC. 1096. POLICY.

It is the policy of the United States—

(1) to encourage, to the maximum extent practicable, nondefense commercial firms to use Government-owned, contractor-operated ammunition facilities of the Department of the Army;

(2) to use such facilities for supporting programs, projects, policies, and initiatives that promote competition in the private sector of the United States economy and that advance United States interests in the global marketplace;

(3) to increase the manufacture of products inside the United States that, to a significant extent, are manufactured outside the United States;

(4) to support policies and programs that provide manufacturers with incentives to assist the United States in making more efficient and economical use of Government-owned industrial plants and equipment for commercial purposes;

(5) to provide, as appropriate, small businesses, including socially and economically disadvantaged small business concerns and new small businesses, with incentives that encourage those businesses to undertake manufacturing and other industrial processing activities that contribute to the prosperity of the United States;

(6) to encourage the creation of jobs through increased investment in the private sector of the United States economy;

(7) to foster a more efficient, cost-effective, and adaptable armaments industry in the United States;

(8) to achieve, with respect to armaments manufacturing capacity, an optimum level of readiness of the defense industrial base of the United States that is consistent with the projected threats to the national security of the United States and the projected emergency requirements of the Armed Forces of the United States; and

(9) to encourage facility contracting where feasible.

SEC. 1097. ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE.

(a) REQUIREMENT FOR INITIATIVE.—The Secretary of the Army shall carry out a program to be known as the "Armament Retooling and Manufacturing Support Initiative" (hereafter in this Act referred to as the "ARMS Initiative").

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

(1) To encourage commercial firms, to the maximum extent practicable, to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army for commercial purposes.

(2) To increase the opportunities for small businesses, including socially and economically disadvantaged small business concerns and new small businesses, to use such facilities for those purposes.

(3) To reduce the adverse effects of reduced Department of the Army spending that are experienced by States and communities by providing for such facilities to be used for commercial purposes that create jobs and promote prosperity.

(4) To provide for the reemployment and retraining of skilled workers who, as a result of the closing of such facilities, are idled or underemployed.

(5) To contribute to the attainment of economic stability in economically depressed regions of the United States where there are Government-owned, contractor-operated ammunition manufacturing facilities of the Department of Army.

(6) To maintain in the United States a work force having the skills in manufacturing processes that are necessary to meet industrial emergency planned requirements for national security purposes.

(7) To be a model for future defense conversion initiatives.

(8) To the maximum extent practicable, to allow the operation of Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army to be rapidly responsive to the forces of free market competition.

(9) Through the use of Government-owned, contractor-operated ammunition manufacturing facilities for commercial purposes, to encourage relocation of industrial production to the United States from outside the United States.

(c) MAXIMUM AVAILABILITY OF FACILITIES.—To the maximum extent practicable, the Secretary of the Army shall make the Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army available for the purposes of the ARMS Initiative.

SEC. 1098. FACILITY CONTRACTOR DEFINED.

In this subtitle, the term "facility contractor", with respect to a Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army, means a contractor that, under a contract with the Secretary of the Army—

(1) is authorized to manufacture ammunition or any component of ammunition at the facility; and

(2) is responsible for the overall operation and maintenance of the facility for meeting planned requirements in the event of an industrial emergency.

SEC. 1099. FACILITIES CONTRACTS.

(a) REQUIREMENT FOR ARMS CONTRACTS.—(1) In the case of each Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army that is made available for the ARMS Initiative, the Secretary of the Army shall, by contract, authorize the facility contractor—

(A) to use the facility for one or more years consistent with the purposes of the ARMS Initiative; and

(B) to enter into multiyear subcontracts for the commercial use of the facility consistent with such purposes.

(2) The authority in paragraph (1) may be exercised only to such extent and in such amounts as are provided in appropriations Acts.

Subtitle I—Defense Conversion and Transition Assistance

SEC. 1099A. FINDINGS AND POLICY.

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

(1) The collapse of communism in Eastern Europe and the dissolution of the Soviet Union have fundamentally changed the military threat that formed the basis for the national security policy of the United States since the end of World War II.

(2) The change in the military threat presents a unique opportunity to restructure and reduce the military requirements of the United States.

(3) As the United States proceeds with the post-Cold War defense build down, the Nation must recognize and address the impact of reduced defense spending on the military personnel, civilian employees, and defense industry workers who have been the foundation of the national defense policies of the United States.

(4) The defense build down will have a significant impact on communities as procurements are reduced and military installations are closed and realigned.

(5) Despite the changes in the military threat, the United States must maintain the capability to respond to regional conflicts that threaten the national interests of the United States, and to reconstitute forces in the event of an extended conflict.

(6) The skills and capabilities of military personnel, civilian employees of the Department of Defense, defense industry workers, and defense industries represent an invaluable national resource that can contribute to the economic growth of the United States and to the long-term vitality of the national defense technology and industrial base.

(7) Prompt and vigorous implementation of a defense conversion and transition assistance program is essential to ensure that the defense build down is structured in a manner that enhances the long-term ability of the United States to maintain a strong and vibrant national defense technology and industrial base.

(b) POLICY.—(1) It is the policy of Congress that the United States attain its national defense objectives through the development and implementation of defense conversion and transition assistance programs that have the following objectives:

(A) Facilitating the transition of military personnel, civilian employees of the United States, and defense industry workers affected by the defense build down in a manner which recognizes the contributions of those individuals to the national defense and promotes continued national access to, and benefit from, their skills and capabilities.

(B) Assisting communities in adjusting to the impact of reduced defense spending in recognition of the contributions that such communities have made to the national defense of the United States.

(C) Strengthening the ability of the national defense technology and industrial base to meet the following national security objectives:

(i) Supplying and equipping the force structure necessary to meet near-term national security requirements.

(ii) Sustaining production, maintenance, repair, and logistics for operations of various durations and intensity.

(iii) Maintaining advanced research and development activities to provide the Armed Forces of the United States with systems capable of ensuring technological superiority over potential adversaries.

(iv) Reconstituting within a reasonable period the capability to develop and produce supplies and equipment, including technologically advanced systems, in sufficient quantities to prepare fully for a major war, major national emergency, or major mobilization of the Armed Forces.

(D) Achieving the national defense technology and industrial base objectives described in subparagraph (C) by enhancing the opportunities for conversion of defense-dependent businesses to dual-use capabilities.

(2) It is the policy of Congress that not less than $1,200,000,000 of the funds authorized to be appropriated by this Act be available for defense conversion and transition assistance programs.

SEC. 1099B. ACTIVE FORCES TRANSITION ENHANCEMENTS.

Not later than 45 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt implementation of the following programs and authorities:

(1) The program to encourage members and former members of the Armed Forces to enter critical public and community service jobs after discharge or release from active duty as established pursuant to section 1143a of title 10, United States Code (as added by section 531(a)).

(2) The program to facilitate alternative teaching certification for personnel separating or retiring from the Armed Forces who choose to enter teaching based upon military experience and training, as provided in section 532.

(3) The program to grant educational leave to qualify for and enter public and community service, as authorized by section 533.

(4) The temporary early retirement authorities provided in sections 534 and 535.

(5) The authority for persons being voluntarily separated from active duty in the Armed Forces to enroll in the Montgomery GI Bill program under section 536.

(6) The revision of the recoupment requirement related to certain reserve duty, as provided under section 537.

(7) The program referred to in section 538 for certain employment, job training, and other assistance for members of the Armed Forces who are being separated from active duty.

(8) The temporary continued health coverage for members of the Armed Forces upon separation from active duty, as provided under section 1078a of title 10, United States Code (as added by section 539).

SEC. 1099C. GUARD AND RESERVE TRANSITION INITIATIVES.

Not later than 45 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt implementation of the following programs and authorities:

(1) The regulations required by sections 543 through 545 concerning inactivation of units of the Selected Reserve, involuntary discharge from a reserve component of the Armed Forces, and involuntary transfer from the Selected Reserve.

(2) The temporary authority for early retirements established under sections 546 and 547.

(3) The temporary authority for separation pay provided in section 548.

(4) The waiver of the continued service requirement for Montgomery GI Bill benefits under section 549.

(5) The transitional commissary and exchange privileges authorized by section 550.

(6) The temporary continuation of Servicemen's Group Life Insurance coverage provided under section 551.

SEC. 1099D. DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL TRANSITION INITIATIVES.

(a) REQUIREMENT FOR REGULATIONS WITHIN 45 DAYS.—Not later than 45 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt implementation of the following programs and authorities, consistent with such guidance as may be issued by the Director of the Office of Personnel Management:

(1) The reemployment assistance requirements provided pursuant to sections 341 and 342.

(2) The reduction-in-force notification requirements provided pursuant to section 343.

(3) The commencement of eligibility for certain job training assistance to employees adversely affected by base closures and realignments, as established pursuant to section 344.

(4) The authority to continue health benefits established pursuant to section 346.

(5) The authority to pay benefits under the Thrift Savings Plan to employees separated by a reduction in force, as provided pursuant to section 347.

(6) The authority to establish skill training programs in the Department of Defense, as provided in section 348.

(b) REQUIREMENT FOR PROMPT IMPLEMENTATION.—The Secretary of Defense, subject to such regulations as may be prescribed by the Director of the Office of Personnel Management, shall ensure the prompt implementation of the authority established in section 345 to provide separation benefits and to restore certain leave.

SEC. 1099E. COMMUNITY TRANSITION INITIATIVES.

(a) ECONOMIC ADJUSTMENT.—The Secretary of Defense shall promptly establish implementation schedules to ensure that policies and procedures required pursuant to section 331 are issued not later than 90 days after the date of the enactment of this Act, and to ensure that communities, businesses, and workers substantially and seriously affected by reductions in defense expenditures are advised of the assistance available to such communities, businesses, and workers.

(b) ECONOMIC, CONVERSION, AND STABILIZATION ASSISTANCE.—Not later than 45 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations to ensure the prompt and effective delivery of assistance under the Defense Economic Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101-510; 10 U.S.C. 2391 note), as amended by sections 331 and 332, to communities, businesses, and workers substantially and seriously affected by reductions and defense expenditures.

(c) IMPACT AID.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the

prompt and effective implementation of the authority provided in section 333 to furnish assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.

SEC. 1099F. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE CONVERSION AND TRANSITION INITIATIVES.

(a) PUBLIC INFORMATION REQUIREMENT.—The Secretary of Defense shall promptly establish implementation schedules to ensure that, not later than 90 days after the date of the enactment of this Act, policies and procedures are issued to provide for wide public dissemination of the opportunities to participate in programs authorized pursuant to sections 802, 804, and 805.

(b) PROGRAMS IMPLEMENTATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt and effective implementation of the following programs, requirements, and authorities:

(1) The defense dual-use technology research and development programs referred to in section 802.

(2) The defense dual-use manufacturing technology programs referred to in section 804.

(3) The national defense technology and industrial base dual-use assistance extension programs.

(4) The requirements and authorities provided under section 807 for the Small Business Innovation Research Program.

(c) COMMENCEMENT OF OPERATIONS BY THE OFFICE OF TECHNOLOGY TRANSITION.—Notwithstanding section 803(b) of this Act, the Office of Technology Transition established by section 803(a) shall commence operations not later than 120 days after the date of enactment of this Act.

TITLE XI—DEMILITARIZATION OF THE FORMER SOVIET UNION

Subtitle A—Short Title

SEC. 1101. SHORT TITLE.

This title may be cited as the "Former Soviet Union Demilitarization Act of 1992".

Subtitle B—Findings and Program Authority

SEC. 1111. DEMILITARIZATION OF THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

The Congress finds that it is in the national security interest of the United States—

(1) to facilitate, on a priority basis—

(A) the transportation, storage, safeguarding, and destruction of nuclear and other weapons of mass destruction of the independent states of the former Soviet Union;

(B) the prevention of proliferation of weapons of mass destruction and destabilizing conventional weapons of the independent states of the former Soviet Union, and the establishment of verifiable safeguards against the proliferation of such weapons;

(C) the prevention of diversion of weapons-related scientific expertise of the former Soviet Union to terrorist groups or third countries; and

(D) other efforts designed to reduce the military threat from the former Soviet Union;

(2) to support the conversion of the massive defense-related industry and equipment of the independent states of the former Soviet Union for civilian purposes and uses; and

(3) to expand military-to-military contacts between the United States and the independent states of the former Soviet Union.

SEC. 1112. AUTHORITY FOR PROGRAMS TO FACILITATE DEMILITARIZATION.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized, in accordance with this title, to establish and conduct programs described in subsection (b) to assist the demilitarization of the independent states of the former Soviet Union.

(b) TYPES OF PROGRAMS.—The programs referred to in subsection (a) are limited to—

(1) transporting, storing, safeguarding, disabling, and destroying nuclear, chemical, and other weapons of the independent states of the former Soviet Union, as described in section 212(b) of the Conventional Forces in Europe Treaty Implementation Act of 1991 (Public Law 102-228);

(2) establishing verifiable safeguards against the proliferation of such weapons;

(3) preventing diversion of weapons-related scientific expertise of the former Soviet Union to terrorist groups or third countries;

(4) facilitating the conversion of military technologies and capabilities and defense industries of the former Soviet Union into civilian activities;

(5) establishing science and technology centers in the independent states of the former Soviet Union for the purpose of engaging weapons scientists and engineers previously involved with nuclear, chemical, and other weapons of mass destruction in productive, nonmilitary undertakings; and

(6) expanding military-to-military contacts between the United States and the independent states of the former Soviet Union.

(c) RESTRICTIONS.—United States assistance authorized by subsection (a) may not be provided unless the President certifies to the Congress, on an annual basis, that the proposed recipient country is committed to—

(1) making a substantial investment of its resources for dismantling or destroying such weapons of mass destruction, if such recipient has an obligation under treaty or other agreement to destroy or dismantle any such weapons;

(2) forgoing any military modernization program that exceeds legitimate defense requirements and forgoing the replacement of destroyed weapons of mass destruction;

(3) forgoing any use in new nuclear weapons of fissionable or other components of destroyed nuclear weapons;

(4) facilitating United States verification of any weapons destruction carried out under section 212 of the Conventional Forces in Europe Treaty Implementation Act of 1991 (Public Law 102-228);

(5) complying with all relevant arms control agreements; and

(6) observing internationally recognized human rights, including the protection of minorities.

Subtitle C—Administrative and Funding Authorities

SEC. 1121. ADMINISTRATION OF DEMILITARIZATION PROGRAMS.

(a) FUNDING.—(1) In recognition of the direct contributions to the national security interests of the United States of the activities specified in section 1112, funds transferred under sections 108 and 109 of Public Law 102-229 (105 Stat. 1708) are authorized to be made available to carry out subtitle B. Of the amount available to carry out such subtitle, not more than $20,000,000 may be made available for programs referred to in section 1112(b)(6), relating to military-to-military contacts.

(2) Section 221(a)(1) of the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102-228; 105 Stat. 1695) is amended—

(A) by striking "fiscal year 1992" and inserting "fiscal years 1992 and 1993"; and

(B) by striking out "$400,000,000" and inserting in lieu thereof "$800,000,000".

(3) Section 221(e) of such Act is amended—

(A) by inserting "for fiscal year 1992 or fiscal year 1993" after "under part B";

(B) by inserting "for that fiscal year" after "for that program"; and

(C) by striking out "for fiscal year 1992" and inserting in lieu thereof "for that fiscal year".

(b) TECHNICAL REVISIONS TO PUBLIC LAW 102-229.—Public Law 102-229 is amended—

(1) in section 108 (105 Stat. 1708), by striking out "contained in H.R. 3807, as passed the Senate on November 25, 1991" and inserting in lieu thereof "(title II of Public Law 102-228)"; and

(2) in section 109 (105 Stat. 1708)—

(A) by striking out "H.R. 3807, as passed the Senate on November 25, 1991" and inserting in lieu thereof "Public Law 102-228 (105 Stat. 1696)"; and

(B) by striking "of H.R. 3807".

Subtitle D—Reporting Requirements

SEC. 1131. PRIOR NOTICE OF OBLIGATIONS TO CONGRESS.

Not less than 15 days before obligating any funds made available for a program under subtitle B, the President shall transmit to the Congress a report on the proposed obligation. Each such report shall specify—

(1) the account, budget activity, and particular program or programs from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation; and

(2) the activities and forms of assistance under subtitle B for which the President plans to obligate such funds.

SEC. 1132. QUARTERLY REPORTS ON PROGRAMS.

Not later than 30 days after the end of the last fiscal year quarter for fiscal year 1992 and each fiscal year quarter for fiscal year 1993, the President shall transmit to the Congress a report on the activities carried out under subtitle B. Each such report shall set forth, for the preceding fiscal year quarter and cumulatively, the following:

(1) The amounts expended for such activities and the purposes for which they were expended.

(2) The source of the funds obligated for such activities, specified by program.

(3) A description of the participation of all United States Government departments and agencies in such activities.

(4) A description of the activities carried out under subtitle B and the forms of assistance provided under that part.

(5) Such other information as the President considers appropriate to fully inform the Congress concerning the operation of the programs authorized under subtitle B.

TITLE XII—CUBAN DEMOCRACY ACT OF 1992

SEC. 1201. SHORT TITLE.

This title may be cited as the "Cuban Democracy Act of 1992".

SEC. 1202. FINDINGS.

The Congress makes the following findings:

(1) The government of Fidel Castro has demonstrated consistent disregard for internationally accepted standards of human rights and for democratic values. It restricts the Cuban people's exercise of freedom of speech, press, assembly, and other rights recognized by the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on December 10, 1948. It has refused to admit into Cuba the representative of the United Nations Human

Rights Commission appointed to investigate human rights violations on the island.

(2) The Cuban people have demonstrated their yearning for freedom and their increasing opposition to the Castro government by risking their lives in organizing independent, democratic activities on the island and by undertaking hazardous flights for freedom to the United States and other countries.

(3) The Castro government maintains a military-dominated economy that has decreased the well-being of the Cuban people in order to enable the government to engage in military interventions and subversive activities throughout the world and, especially, in the Western Hemisphere. These have included involvement in narcotics trafficking and support for the FMLN guerrillas in El Salvador.

(4) There is no sign that the Castro regime is prepared to make any significant concessions to democracy or to undertake any form of democratic opening. Efforts to suppress dissent through intimidation, imprisonment, and exile have accelerated since the political changes that have occurred in the former Soviet Union and Eastern Europe.

(5) Events in the former Soviet Union and Eastern Europe have dramatically reduced Cuba's external support and threaten Cuba's food and oil supplies.

(6) The fall of communism in the former Soviet Union and Eastern Europe, the now universal recognition in Latin America and the Caribbean that Cuba provides a failed model of government and development, and the evident inability of Cuba's economy to survive current trends, provide the United States and the international democratic community with an unprecedented opportunity to promote a peaceful transition to democracy in Cuba.

(7) However, Castro's intransigence increases the likelihood that there could be a collapse of the Cuban economy, social upheaval, or widespread suffering. The recently concluded Cuban Communist Party Congress has underscored Castro's unwillingness to respond positively to increasing pressures for reform either from within the party or without.

(8) The United States cooperated with its European and other allies to assist the difficult transitions from Communist regimes in Eastern Europe. Therefore, it is appropriate for those allies to cooperate with United States policy to promote a peaceful transition in Cuba.

SEC. 1203. STATEMENT OF POLICY.

It should be the policy of the United States—

(1) to seek a peaceful transition to democracy and a resumption of economic growth in Cuba through the careful application of sanctions directed at the Castro government and support for the Cuban people;

(2) to seek the cooperation of other democratic countries in this policy;

(3) to make clear to other countries that, in determining its relations with them, the United States will take into account their willingness to cooperate in such a policy;

(4) to seek the speedy termination of any remaining military or technical assistance, subsidies, or other forms of assistance to the Government of Cuba from any of the independent states of the former Soviet Union;

(5) to continue vigorously to oppose the human rights violations of the Castro regime;

(6) to maintain sanctions on the Castro regime so long as it continues to refuse to move toward democratization and greater respect for human rights;

(7) to be prepared to reduce the sanctions in carefully calibrated ways in response to positive developments in Cuba;

(8) to encourage free and fair elections to determine Cuba's political future;

(9) to prevent Cuba from evading the United States embargo of that country through a North American Free Trade Agreement;

(10) to request the speedy termination of any military or technical assistance, subsidies, or other forms of assistance to the Government of Cuba from the government of any other country; and

(11) to initiate immediately the development of a comprehensive United States policy toward Cuba in a post-Castro era.

SEC. 1204. INTERNATIONAL COOPERATION.

(a) CUBAN TRADING PARTNERS.—The President should encourage the governments of countries that conduct trade with Cuba to restrict their trade and credit relations with Cuba in a manner consistent with the purposes of this title.

(b) SANCTIONS AGAINST COUNTRIES ASSISTING CUBA.—

(1) SANCTIONS.—The President may apply the following sanctions to any country that provides assistance to Cuba:

(A) The government of such country shall not be eligible for assistance under the Foreign Assistance Act of 1961 or assistance or sales under the Arms Export Control Act.

(B) Such country shall not be eligible, under any program, for forgiveness or reduction of debt owed to the United States Government.

(2) DEFINITION OF ASSISTANCE.—For purposes of paragraph (1), the term "assistance to Cuba"—

(A) means assistance to or for the benefit of the Government of Cuba that is provided by grant, concessional sale, guaranty, or insurance, or by any other means on terms more favorable than that generally available in the applicable market, whether in the form of a loan, lease, credit, or otherwise, and such term includes subsidies for exports to Cuba and favorable tariff treatment of articles that are the growth, product, or manufacture of Cuba; and

(B) does not include—

(i) donations of food to nongovernmental organizations or individuals in Cuba, or

(ii) exports of medicines or medical supplies, instruments, or equipment that would be permitted under section 1205(c) of this Act.

(3) APPLICABILITY OF SECTION.—This section, and any sanctions imposed pursuant to this section, shall cease to apply at such time as the President makes and reports to the Congress a determination under section 1208(a).

SEC. 1205. SUPPORT FOR THE CUBAN PEOPLE.

(a) PROVISIONS OF LAW AFFECTED.—The provisions of this section apply notwithstanding any other provision of law, including section 620(a) of the Foreign Assistance Act of 1961, and notwithstanding the exercise of authorities, before the enactment of this Act, under section 5(b) of the Trading With the Enemy Act, the International Emergency Economic Powers Act, or the Export Administration Act of 1979.

(b) DONATIONS OF FOOD.—Nothing in this or any other title shall prohibit donations of food to nongovernmental organizations or individuals in Cuba.

(c) EXPORTS OF MEDICINES AND MEDICAL SUPPLIES.—Exports of medicines or medical supplies, instruments, or equipment to Cuba shall not be restricted—

(1) except to the extent authorized by section 5(m) of the Export Administration Act of 1979 or section 203(b)(2) of the International Emergency Economic Powers Act;

(2) except in a case in which there is a reasonable likelihood that the item to be exported will be used for purposes of torture or other human rights abuses;

(3) except in a case in which there is a reasonable likelihood that the item to be exported will be reexported; and

(4) except in a case in which the item to be exported could be used in the production of any biotechnological product.

(d) REQUIREMENTS FOR CERTAIN EXPORTS.—

(1) ONSITE VERIFICATIONS.—(A) Subject to subparagraph (B), an export may be made under subsection (c) only if the President determines that the United States Government is able to verify, by onsite inspections and other appropriate means, that the exported item is to be used for the purposes for which it was intended and only for the use and benefit of the Cuban people.

(B) EXCEPTION.—Subparagraph (A) does not apply to donations to nongovernmental organizations in Cuba of medicines for humanitarian purposes.

(2) LICENSES.—Exports permitted under subsection (c) shall be made pursuant to specific licenses issued by the United States Government.

(e) TELECOMMUNICATIONS SERVICES AND FACILITIES.—

(1) TELECOMMUNICATIONS SERVICES.—Telecommunications services between the United States and Cuba shall be permitted.

(2) TELECOMMUNICATIONS FACILITIES.—Telecommunications facilities are authorized in such quantity and of such quality as may be necessary to provide efficient and adequate telecommunications services between the United States and Cuba.

(3) LICENSING OF PAYMENTS TO CUBA.—(A) The President may provide for the issuance of licenses for the full or partial payment to Cuba of amounts due Cuba as a result of the provision of telecommunications services authorized by this subsection, in a manner that is consistent with the public interest and the purposes of this title, except that this paragraph shall not require any withdrawal from any account blocked pursuant to regulations issued under section 5(b) of the Trading With the Enemy Act.

(B) If only partial payments are made to Cuba under subparagraph (A), the amounts withheld from Cuba shall be deposited in an account in a banking institution in the United States. Such account shall be blocked in the same manner as any other account containing funds in which Cuba has any interest, pursuant to regulations issued under section 5(b) of the Trading With the Enemy Act.

(4) AUTHORITY OF FEDERAL COMMUNICATIONS COMMISSION.—Nothing in this subsection shall be construed to supersede the authority of the Federal Communications Commission.

(f) DIRECT MAIL DELIVERY TO CUBA.—The United States Postal Service shall take such actions as are necessary to provide direct mail service to and from Cuba, including, in the absence of common carrier service between the 2 countries, the use of charter service providers.

(g) ASSISTANCE TO SUPPORT DEMOCRACY IN CUBA.—The United States Government may provide assistance, through appropriate nongovernmental organizations, for the support of individuals and organizations to promote nonviolent democratic change in Cuba.

SEC. 1206. SANCTIONS.

(a) PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.—

(1) PROHIBITION.—Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

(2) APPLICABILITY TO EXISTING CONTRACTS.—Paragraph (1) shall not affect any contract entered into before the date of the enactment of this Act.

(b) PROHIBITIONS ON VESSELS.—

(1) VESSELS ENGAGING IN TRADE.—Beginning on the 61st day after the date of the enactment of this Act, a vessel which enters a port or place in Cuba to engage in the trade of goods or services may not, within 180 days after departure from such port or place in Cuba, load or unload any freight at any place in the United States, except pursuant to a license issued by the Secretary of the Treasury.

(2) VESSELS CARRYING GOODS OR PASSENGERS TO OR FROM CUBA.—Except as specifically authorized by the Secretary of the Treasury, a vessel carrying goods or passengers to or from Cuba or carrying goods in which Cuba or a Cuban national, as defined in section 515.302 of the Office of Foreign Assets Control Treasury Regulations, has any interest may not enter a United States port.

(3) INAPPLICABILITY OF SHIP STORES GENERAL LICENSE.—No commodities which may be exported under a general license described in section 771.9 of title 15, Code of Federal Regulations, as in effect on May 1, 1992, may be exported under a general license to any vessel carrying goods or passengers to or from Cuba or carrying goods in which Cuba or a Cuban national has an interest.

(4) DEFINITIONS.—As used in this subsection—

(A) the term "vessel" includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water, but does not include aircraft; and

(B) the term "United States" includes the territories and possessions of the United States and the customs waters of the United States (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401)).

(c) RESTRICTIONS ON REMITTANCES TO CUBA.—The President shall establish strict limits on remittances to Cuba by United States persons for the purpose of financing the travel of Cubans to the United States, in order to ensure that such remittances reflect only the reasonable costs associated with such travel, and are not used by the Government of Cuba as a means of gaining access to United States currency.

(d) CLARIFICATION OF APPLICABILITY OF SANCTIONS.—The prohibitions contained in subsections (a), (b), and (c) shall not apply with respect to any activity otherwise permitted by section 1205 or section 1207 of this title or any activity which may not be regulated or prohibited under section 5(b)(4) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)(4)).

SEC. 1207. POLICY TOWARD A TRANSITIONAL CUBAN GOVERNMENT.

Food, medicine, and medical supplies for humanitarian purposes should be made available for Cuba under the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954 if the President determines and certifies to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate that the government in power in Cuba—

(1) has made a public commitment to hold free and fair elections for a new government within 6 months and is proceeding to implement that decision;

(2) has made a public commitment to respect, and is respecting, internationally recognized human rights and basic democratic freedoms; and

(3) is not providing weapons or funds to any group, in any other country, that seeks the violent overthrow of the government of that country.

SEC. 1208. POLICY TOWARD A DEMOCRATIC CUBAN GOVERNMENT.

(a) WAIVER OF RESTRICTIONS.—The President may waive the requirements of section 1206 if the President determines and reports to the Congress that the Government of Cuba—

(1) has held free and fair elections conducted under internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) is moving toward establishing a free market economic system; and

(5) has committed itself to constitutional change that would ensure regular free and fair elections that meet the requirements of paragraph (2).

(b) POLICIES.—If the President makes a determination under subsection (a), the President shall take the following actions with respect to a Cuban Government elected pursuant to elections described in subsection (a):

(1) To encourage the admission or reentry of such government to international organizations and international financial institutions.

(2) To provide emergency relief during Cuba's transition to a viable economic system.

(3) To take steps to end the United States trade embargo of Cuba.

(4) To enter into negotiations for a framework agreement providing for trade with Cuba.

SEC. 1209. EXISTING CLAIMS NOT AFFECTED.

Except as provided in section 1205(a), nothing in this title affects the provisions of section 620(a)(2) of the Foreign Assistance Act of 1961.

SEC. 1210. ENFORCEMENT.

(a) ENFORCEMENT AUTHORITY.—The authority to enforce this title shall be carried out by the Secretary of the Treasury. The Secretary of the Treasury shall exercise the authorities of the Trading With the Enemy Act in enforcing this Act. In carrying out this subsection, the Secretary of the Treasury shall take the necessary steps to ensure that activities permitted under section 1205 are carried out for the purposes set forth in this title and not for purposes of the accumulation by the Cuban Government of excessive amounts of United States currency or the accumulation of excessive profits by any person or entity.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this title.

(c) PENALTIES UNDER THE TRADING WITH THE ENEMY ACT.—Section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16) is amended—

(1) by inserting "(a)" before "That whoever"; and

(2) by adding at the end the following:

"(b)(1) The Secretary of the Treasury may impose a civil penalty of not more than $50,000 on any person who violates any license, order, rule, or regulation issued under this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may not be imposed for—

"(A) news gathering, research, or the export or import of, or transmission of, information or informational materials; or

"(B) clearly defined educational or religious activities, or activities of recognized human rights organizations, that are reasonably limited in frequency, duration, and number of participants.

"(4) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(5) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code.".

(d) APPLICABILITY OF PENALTIES.—The penalties set forth in section 16 of the Trading With the Enemy Act shall apply to violations of this title to the same extent as such penalties apply to violations under that Act.

(e) OFFICE OF FOREIGN ASSETS CONTROL.—The Department of the Treasury shall establish and maintain a branch of the Office of Foreign Assets Control in Miami, Florida, in order to strengthen the enforcement of this Act.

SEC. 1211. DEFINITION.

As used in this Act, the term "United States person" means any United States citizen or alien admitted for permanent residence in the United States, and any corporation, partnership, or other organization organized under the laws of the United States.

SEC. 1212. EFFECTIVE DATE.

This title shall take effect on the date of the enactment of this Act.

TITLE XIII—NATIONAL EDUCATION GOALS PANEL

SEC. 1301. PANEL ESTABLISHED.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Goals Panel (hereafter in this title referred to as the "Panel").

(b) COMPOSITION.—

(1) IN GENERAL.—The Panel shall be composed of 14 members (hereafter in this title referred to as "members"), including—

(A) two members appointed by the President;

(B) eight Governors, three of whom shall be from the same political party as the President and five of whom shall be of the opposite political party of the President, appointed by the Chairman or Vice Chairman of the National Governors' Association, with each appointing those of his respective political party, in consultation with each other and in accordance with paragraph (2); and

(C) four Members of Congress appointed as follows:

(i) The Majority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(ii) The Minority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(iii) The Majority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(iv) The Minority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(2) SPECIAL APPOINTMENT RULES.—(A) The members appointed pursuant to paragraph (1)(B) shall be appointed as follows:

(i) If the Chairperson of the National Governors' Association is from the same political party as the President, then the Chairperson shall appoint 3 persons pursuant to such paragraph and the Vice Chairperson shall appoint 5 persons pursuant to such paragraph.

(ii) If the Chairperson of the National Governors' Association is from the opposite political party as the President, then the Chairperson shall appoint 5 persons pursuant to such paragraph and the Vice Chairperson shall appoint 3 persons pursuant to such paragraph.

(B) If the National Governors' Association has appointed a panel that meets the requirements of this subsection prior to the date of enactment of this Act, then the members serving on such panel shall be deemed to be in compliance with the provisions of this subsection and shall not be required to be reappointed pursuant to this subsection.

(c) TERMS.—The terms of service of members shall be as follows:

(1) EXECUTIVE BRANCH.—Members appointed under paragraph (1)(A) shall serve at the pleasure of the President.

(2) GOVERNORS.—Members appointed under paragraph (1)(B) shall serve a two-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of the such member's terms concluding every two years.

(3) MEMBERS OF CONGRESS.—Members appointed under paragraph (1)(C) shall serve a term of four years.

(d) INITIATION.—The Panel may begin to carry out the duties of the Panel under this title when seven members of the Panel have been appointed.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(f) RETENTION.—In order to retain an appointment to the Panel, a member must attend at least two-thirds of the scheduled meetings of the Panel in any given year.

(g) VACANCIES.—A vacancy on the Panel shall not affect the powers of the Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(i) CHAIRPERSON SELECTION.—

(1) INITIAL SELECTION.—The members appointed under subsection (b)(2) shall select a Chairperson from among such members, except that after the expiration of the term of the member selected under this paragraph to serve as Chairperson as of October 1, 1991, or upon the termination of the tenure of such Chairperson, whichever is earlier, a majority of the members of the Council shall select the Chairperson from among the members.

(2) CONTINGENT SELECTION.—If no individual described in paragraph (1) assumes the position of Chairperson of the Council within 60 days of the date of the enactment of this Act, a majority of the members shall thereafter select a Chairperson from among the members.

SEC. 1302. FUNCTIONS.

(a) FUNCTIONS.—

(1) IN GENERAL.—The Panel shall—

(A) propose the indicators to be used to measure the National Education Goals and reporting progress toward their achievement, the baselines and benchmarks against which progress may be evaluated, and the format for an annual report to the Nation;

(B) select interim and final measures and appropriate measurement tools to be developed as necessary in each goal area;

(C) report on the Federal actions to fulfill its responsibilities to education, including funding the Federal financial role, providing more flexibility and controlling mandates that limit the States' ability to fund education;

(D) issue a report to the President, the Congress, the Governors, and the Nation annually on progress toward the National Education Goals;

(E) assure, through requirements for State reports, that student performance is reported in the context of other relevant information about student, school and system performance;

(F) identify gaps in existing educational data, make recommendations for improvements in the methods and procedures for assessments that would be appropriate to assessing progress toward the National Education Goals, propose changes in national and international measurement systems as appropriate and make recommendations to the President, the Congress, and the Governors for needed improvements;

(G) appoint members to the National Education Standards and Assessments Council; and

(H) in accordance with paragraph (2), issue certification of content and student performance standards and the criteria for assessments as world-class following submission of such certification by the National Education Standards and Assessments Council.

(2) SPECIAL RULE.—In the event the Panel denies certification to all or part of a certification of the National Education Standards and Assessments Council, all or part of a certification shall be returned to such Council with detailed written explanations for the denial.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Panel shall operate on the principle of consensus.

(c) DATA COLLECTION.—The Panel shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to appropriately assess progress toward the National Education Goals.

SEC. 1303. ANNUAL REPORT CARD.

(a) IN GENERAL.—The Panel shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a National Report Card, that—

(1) sets forth an analysis of the progress of the United States toward achieving the National Education Goals; and

(2) may, as determined necessary by the Panel based on the findings of the Panel and an analysis of the views and comments of all interested parties—

(A) identify continuing gaps in existing educational data; and

(B) make recommendations for improvement in the methods and procedures of assessing educational attainment and strengthening the national educational assessment and information system of the Department of Education or any other appropriate Federal Government entity.

(b) CONTINUATION.—Based on the timetable established in section 1302, the Panel shall continue to issue a National Report Card on an annual basis for the duration of the existence of the Panel.

(c) FORMAT.—National Report Cards shall be presented in a form that is understandable to parents and the general public.

SEC. 1304. POWERS OF THE PANEL.

(a) HEARINGS.—

(1) IN GENERAL.—The Panel shall, for the purpose of carrying out this title, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Panel considers appropriate.

(2) CONDUCT.—In carrying out this title, the Panel shall conduct public hearings in different geographic areas of the United States, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public regarding the Panel's functions described in section 1302(a).

(b) INFORMATION.—The Panel may secure directly from any department or agency of the United States information necessary to enable the Panel to carry out this title. Upon request of the Chairperson of the Panel, the head of a department or agency shall furnish such information to the Panel to the extent permitted by law.

(c) GIFTS.—The Panel may accept, use, and dispose of gifts or donations of services or property.

(d) POSTAL SERVICES.—The Panel may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Secretary of Education shall provide to the Panel, on a reimbursable basis, administrative support services as the Panel may request.

SEC. 1305. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Panel shall meet on a regular basis, as necessary, at the call of the Chairperson of the Panel or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—No individual may vote or exercise any of the powers of a member by proxy.

SEC. 1306. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Panel shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Chairperson of the Panel may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Panel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Panel shall not exceed the rate of basic pay payable for GS-15 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Panel may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Panel, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Panel to assist the Panel in its duties under this title.

SEC. 1307. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001 to carry out this title.

TITLE XIV—IRAN-IRAQ ARMS NON-PROLIFERATION ACT OF 1992

SEC. 1401. SHORT TITLE.

This title may be cited as the "Iran-Iraq Arms Non-Proliferation Act of 1992".

SEC. 1402. UNITED STATES POLICY.

(a) IN GENERAL.—It shall be the policy of the United States to oppose, and urgently to seek the agreement of other nations also to oppose, any transfer to Iran or Iraq of any goods or technology, including dual-use goods or technology, wherever that transfer could contribute to either country's acquiring chemical, biological, nuclear, or destabilizing numbers and types of advanced conventional weapons.

(b) SANCTIONS.—(1) In the furtherance of this policy, the President shall apply to Iran, Iraq, and those nations and persons who assist them in acquiring weapons of mass destruction all of the applicable sanctions and controls available to the United States under the Foreign Assistance Act of 1961, the Nuclear Non-Proliferation Act of 1978, the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991, and title XVII of the National Defense Authorization Act for Fiscal Year 1991, and other relevant statutes, regarding the non-proliferation of weapons of mass destruction and the means of their delivery.

(2) The President should also urgently seek the agreement of other nations to adopt and institute, at the earliest practicable date, sanctions and controls comparable to those the United States is obligated to apply under this subsection.

(c) PUBLIC IDENTIFICATION.—The Congress calls on the President to identify publicly (in the report required by section 1407) any country or person that transfers goods or technology to Iran or Iraq contrary to the policy set forth in subsection (a).

SEC. 1403. APPLICATION TO IRAN OF CERTAIN IRAQ SANCTIONS.

The sanctions against Iraq specified in paragraphs (1) through (4) of section 586G(a) of the Iraq Sanctions Act of 1990 (as contained in Public Law 101-513), including denial of export licenses for United States persons and prohibitions on United States Government sales, shall be applied to the same extent and in the same manner with respect to Iran.

SEC. 1404. SANCTIONS AGAINST CERTAIN PERSONS.

(a) PROHIBITION.—If any person transfers or retransfers goods or technology so as to contribute knowingly and materially to the efforts by Iran or Iraq (or any agency or instrumentality of either such country) to acquire destabilizing numbers and types of advanced conventional weapons, then—

(1) the sanctions described in subsection (b) shall be imposed; and

(2) in addition, the President is authorized to apply, in the discretion of the President, the sanctions described in subsection (c).

(b) MANDATORY SANCTIONS.—The sanctions to be imposed pursuant to subsection (a)(1) are as follows:

(1) PROCUREMENT SANCTION.—For a period of 2 years, the United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the sanctioned person.

(2) EXPORT SANCTION.—For a period of 2 years, the United States Government shall not issue any license for any export by or to the sanctioned person.

(c) DISCRETIONARY SANCTION.—The sanction referred to in subsection (a)(2) is that the President may prohibit, for such period as the President may determine, the importation into the United States of any articles which are the product, manufacture, or growth of the sanctioned person.

SEC. 1405. SANCTIONS AGAINST CERTAIN FOREIGN COUNTRIES.

(a) PROHIBITION.—If the government of any foreign country transfers or retransfers goods or technology so as to contribute knowingly and materially to the efforts by Iran or Iraq (or any agency or instrumentality of either such country) to acquire destabilizing numbers and types of advanced conventional weapons, then—

(1) the sanctions described in subsection (b) shall be imposed on such country; and

(2) in addition, the President may apply, in the discretion of the President, the sanctions described in subsection (c).

(b) MANDATORY SANCTIONS.—Except as provided in paragraph (2), the sanctions to be imposed pursuant to subsection (a)(1) are as follows:

(1) SUSPENSION OF UNITED STATES ASSISTANCE.—The United States Government shall suspend, for a period of 1 year, United States assistance to the sanctioned country.

(2) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director to each appropriate international financial institution to oppose, and vote against, for a period of 1 year, the extension by such institution of any loan or financial or technical assistance to the sanctioned country.

(3) SUSPENSION OF CODEVELOPMENT OR COPRODUCTION AGREEMENTS.—The United States shall suspend, for a period of 1 year, compliance with its obligations under any memorandum of understanding with the sanctioned country for the codevelopment or coproduction of any item on the United States Munitions List (established under section 38 of the Arms Export Control Act), including any obligation for implementation of the memorandum of understanding through the sale to the sanctioned country of technical data or assistance or the licensing for export to the sanctioned country of any component part.

(4) SUSPENSION OF MILITARY AND DUAL-USE TECHNICAL EXCHANGE AGREEMENTS.—The United States shall suspend, for a period of 1 year, compliance with its obligations under any technical exchange agreement involving military and dual-use technology between the United States and the sanctioned country that does not directly contribute to the security of the United States, and no military or dual-use technology may be exported from the United States to the sanctioned country pursuant to that agreement during that period.

(5) UNITED STATES MUNITIONS LIST.—No item on the United States Munitions List (established pursuant to section 38 of the Arms Export Control Act) may be exported to the sanctioned country for a period of 1 year.

(c) DISCRETIONARY SANCTIONS.—The sanctions referred to in subsection (a)(2) are as follows:

(1) DENIAL OF MOST-FAVORED-NATION STATUS.—The President is authorized to suspend the application of nondiscriminatory trade treatment (most-favored-nation status) to the products of the sanctioned country.

(2) USE OF AUTHORITIES OF INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—The President may exercise, in accordance with the provisions of that Act, the authorities of the International Emergency Economic Powers Act with respect to the sanctioned country, except for urgent humanitarian assistance.

SEC. 1406. WAIVER.

The President may waive the requirement to impose a sanction described in section 1403, in the case of Iran, or a sanction described in section 1404(b) or 1405(b), in the case of Iraq and Iran, 15 days after the President determines and so reports to the Committees on Armed Services and Foreign Relations of the Senate and the Speaker of the House of Representatives that to impose that sanction would jeopardize the national security interests of the United States. Any such report shall provide a specific and detailed rationale for such determination.

SEC. 1407. REPORTING REQUIREMENT.

(a) ANNUAL REPORT.—Beginning one year after the date of enactment of this title, and every 12 months thereafter, the President shall submit a report to the Committees on Armed Services and Foreign Relations of the Senate and the Speaker of the House of Representatives detailing—

(1) all transfers or retransfers made by any person or foreign government during the preceding 12-month period which are subject to any sanction under this title; and

(2) the actions the President intends to undertake or has undertaken pursuant to this title with respect to each such transfer.

(b) REPORT ON INDIVIDUAL TRANSFERS.—Whenever the President determines that a person or foreign government has made a transfer which is subject to any sanction under this title, the President shall, within 30 days after such transfer, submit to the Committees on Armed Services and Foreign Relations of the Senate and the Speaker of the House of Representatives a report—

(1) identifying the person or government and providing the details of the transfer; and

(2) describing the actions the President intends to undertake or has undertaken under the provisions of this title with respect to each such transfer.

(c) FORM OF TRANSMITTAL.—Reports required by this section may be submitted in classified as well as in unclassified form.

SEC. 1408. DEFINITIONS.

For purposes of this title—

(1) the term "advanced conventional weapons" includes—

(A) such long-range precision-guided munitions, fuel air explosives, cruise missiles, low observability aircraft, other radar evading aircraft, advanced military aircraft, military satellites, electromagnetic weapons, and laser weapons as the President determines destabilize the military balance or enhance offensive capabilities in destabilizing ways;

(B) such advanced command, control, and communications systems, electronic warfare systems, or intelligence collection systems as the President determines destabilize the military balance or enhance offensive capabilities in destabilizing ways; and

(C) such other items or systems as the President may, by regulation, determine necessary for purposes of this title;

(2) the term "cruise missile" means guided missiles that use aerodynamic lift to offset gravity and propulsion to counteract drag;

(3) the term "goods or technology" means—

(A) any article, natural or manmade substance, material, supply, or manufactured product, including inspection and test equipment; and

(B) any information and know-how (whether in tangible form, such as models, proto-

types, drawings, sketches, diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including computer software and technical data;

(4) the term "person" means any United States or foreign individual, partnership, corporation, or other form of association, or any of their successor entities, parents, or subsidiaries;

(5) the term "sanctioned country" means a country against which sanctions are required to be imposed pursuant to section 1405;

(6) the term "sanctioned person" means a person that makes a transfer described in section 1404(a); and

(7) the term "United States assistance" means—

(A) any assistance under the Foreign Assistance Act of 1961 (other than the provision of urgent humanitarian assistance or medicine);

(B) sales and assistance under the Arms Export Control Act;

(C) financing by the Commodity Credit Corporation for export sales of agricultural commodities; and

(D) financing under the Export-Import Bank Act.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1993".

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 2105(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	$105,300,000
	Fort McClellan	$4,200,000
Arizona	Fort Huachuca	$5,300,000
Arkansas	Pine Bluff Arsenal	$26,800,000
California	Sierra Army Depot	$2,450,000
Georgia	Fort Gillem	$2,700,000
	Fort Gordon	$23,000,000
	Fort McPherson	$10,200,000
	Hunter Army Airfield	$5,400,000
Hawaii	Schofield Barracks	$23,300,000
Kansas	Fort Riley	$13,200,000
Kentucky	Fort Knox	$15,600,000
Louisiana	Fort Polk	$7,400,000
Maryland	Aberdeen Proving Ground	$3,400,000
New Jersey	Fort Monmouth	$3,550,000
	Picatinny Arsenal	$6,050,000
New Mexico	White Sands Missile Range	$6,000,000
New York	United States Military Academy, West Point	$1,600,000
Oklahoma	Fort Sill	$1,500,000
Pennsylvania	Letterkenny Army Depot	$5,400,000
Texas	Fort Hood	$33,000,000
	Red River Army Depot	$3,600,000
Utah	Tooele Army Depot	$9,200,000
Virginia	Fort Belvoir	$1,200,000
	Fort Pickett	$5,800,000
CONUS Various	Classified Location	$2,700,000
	Classified Location	$700,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Grafenwoehr	$11,600,000
Kwajelein Atoll	Kwajalein	$52,800,000
OCONUS Classified	Classified Location	$1,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(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	Installation	Purpose	Amount
Hawaii	Oahu Various	200 units	$23,000,000
Kentucky	Fort Campbell	96 units	$8,200,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(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 $8,940,000.

SEC. 2103. DEFENSE ACCESS ROADS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(3), the Secretary of the Army may make advances to the Secretary of Transportation for design and construction of defense access roads under section 210 of title 23, United States Code, in the total amount of $2,400,000.

SEC. 2104. IMPROVEMENTS TO MILITARY FAMILY HOUSING.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(6)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $155,860,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,221,967,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $328,550,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $65,400,000.

(3) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $2,400,000.

(4) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $3,800,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $112,300,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $196,000,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,380,517,000, of which not more than $358,241,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $133,000,000, 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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2106. INCREASE IN LIMITATION ON LEASING OF MILITARY FAMILY HOUSING WORLDWIDE BY THE DEPARTMENT OF THE ARMY.

Section 2105(a)(6)(B) the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1512) is amended by striking out "$360,783,000" and inserting in lieu thereof "$395,783,000".

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
Alaska	Adak Naval Air Station	$8,750,000
California	Camp Pendleton, Marine Corps Base	$25,500,000
	Lemoore, Naval Air Station	$680,000
	Port Hueneme, Naval Construction Battalion Center.	$14,300,000
	Seal Beach, Naval Weapons Station	$2,150,000
	Twentynine Palms, Marine Corps Air-Ground Combat Center.	$4,600,000
Connecticut	New London, Naval Submarine Base	$12,500,000
Florida	Cecil Field, Naval Air Station	$5,850,000
Georgia	Albany, Marine Corps Logistics Base	$6,800,000
Hawaii	Barking Sands, Pacific Missile Range Facility.	$4,580,000
	Honolulu, Naval Communication Area Master Station, Eastern Pacific.	$1,400,000
	Pearl Harbor, Naval Supply Center	$6,700,000
	Pearl Harbor, Navy Public Works Center.	$24,900,000
Maryland	Indian Head, Naval Ordnance Station	$5,600,000
Mississippi	Gulfport, Naval Construction Battalion Center.	$4,650,000
North Carolina	New River, Marine Corps Air Station	$3,600,000
	Cherry Point, Marine Corps Air Station	$4,680,000
Rhode Island	Newport, Naval Education and Training Center.	$540,000
South Carolina	Charleston, Naval Weapons Station	$1,110,000
Tennessee	Memphis, Naval Air Station	$14,110,000
Texas	Corpus Christi, Naval Air Station	$4,900,000
	Kingsville, Naval Air Station	$20,120,000
Virginia	Dam Neck, Fleet Combat Training Center.	$19,427,000
	Fort Story, Naval Station Annex	$5,650,000
	Little Creek, Naval Amphibious Base	$13,300,000
	Norfolk, Naval Air Station	$3,450,000
	Norfolk, Naval Station	$880,000
	Norfolk, Naval Supply Center	$12,400,000
	Oceana, Naval Air Station	$3,190,000
	Quantico, Marine Corps Combat Development Center.	$5,000,000
	Yorktown, Naval Weapons Station	$1,100,000
Washington	Bangor, Trident Refit Facility	$1,550,000
	Bremerton, Puget Sound Naval Shipyard.	$14,800,000
	Bremerton, Naval Inactive Ship Maintenance Facility.	$1,200,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	Everett, Naval Station	$5,600,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and 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	Souda Bay, Naval Support Activity	$7,600,000
Various Locations	Host Nation Infrastructure Support	$3,000,000

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	Purpose	Amount
California	Camp Pendleton Marine Corps Base.	300 units	$30,600,000
	San Diego Navy Public Works Center.	300 units	$30,400,000
Connecticut	New London, Naval Submarine Base.	100 units	$11,850,000
Hawaii	Kauai, Pacific Missile Range Facility.	13 units	$2,330,000
	Oahu, Barbers Point Naval Air Station.	70 units	$18,500,000
	Oahu, Kanehoe, Marine Corps Air Station.	300 units	$96,800,000
	Oahu, Lynch Park	42 units	$7,000,000
	Oahu, Miller Park	114 units	$18,400,000
	Oahu, Moana Lua	100 units	$11,800,000
	Oahu, Pearl City Peninsula.	132 units	$30,000,000
New Jersey	Earle, Naval Weapons Station.	Community Center.	$1,100,000
Washington	Bangor/Bremerton Naval Complex.	200 units	$19,500,000
West Virginia	Sugar Grove, Naval Radio Station.	8 units	$930,000

(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 $14,200,000.

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 the amount of $198,340,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,542,036,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $265,567,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $10,600,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $5,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $72,942,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $491,750,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $696,177,000, of which not more than $104,470,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2205. POWER PLANT RELOCATION, NAVY PUBLIC WORKS CENTER, GUAM.

Section 2201(b) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2097) is amended—

(1) in the matter under the heading "GUAM" by striking out the item relating to the Navy Public Works Center and inserting in lieu thereof the following:

"Navy Public Works Center, $34,490,000."; and

(2) in the matter under the heading "PHILIPPINES" by striking out the item relating to the Navy Public Works Center, Subic Bay, and inserting in lieu thereof the following:

"Navy Public Works Center, Subic Bay, $570,000.".

SEC. 2206. REVISED AUTHORIZATIONS FOR CERTAIN MARINE CORPS PROJECTS.

(a) REVISED AUTHORIZATION.—Section 2201(a) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2095) is amended in the matter under the heading "NORTH CAROLINA" by striking out the items relating to Marine Corps Air Station, Cherry Point, and inserting in lieu thereof the following:

"Marine Corps Air Station, Cherry Point, $24,100,000.

(b) CONFORMING AMENDMENTS.—Section 2205(a) of such Act (102 Stat. 2099) is amended—

(1) by striking out "$2,369,875,000" and inserting in lieu thereof "$2,361,555,000"; and

(2) in paragraph (1), by striking out "$1,296,450,000" and inserting in lieu thereof "$1,288,770,000".

SEC. 2207. DEFENSE ACCESS ROADS, NAVAL STATION PASCAGOULA, MISSISSIPPI.

Using amounts appropriated pursuant to the authorization of appropriations in section 2205(a)(5) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1519), the Secretary of the Navy shall expend such amounts as the Secretary determines necessary for planning and design for defense access roads that are critical for access to Naval Station Pascagoula, Mississippi, as determined by the Secretary of the Navy.

SEC. 2208. MILITARY FAMILY HOUSING, NAVAL AIR STATION WHIDBEY ISLAND, WASHINGTON.

The Secretary of the Navy shall include in the budget request for the Navy for fiscal year 1994 a request for funds for the design of 300 family housing units at Naval Air Station Whidbey Island, Washington.

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	Gunter Air Force Base	$960,000
	Maxwell Air Force Base	$9,900,000
Alaska	Clear Air Force Station	$2,250,000
	Eielson Air Force Base	$40,950,000
	Elmendorf Air Force Base	$22,550,000
	Galena Airport	$4,850,000
	King Salmon Airport	$6,400,000
	Shemya Air Force Base	$3,350,000
Arizona	Davis-Monthan Air Force Base	$3,500,000
	Libby Air Force Base	$15,300,000
	Luke Air Force Base	$2,950,000
Arkansas	Little Rock Air Force Base	$3,860,000
California	Beale Air Force Base	$1,250,000
	Edwards Air Force Base	$24,500,000
	March Air Force Base	$2,250,000
	McClellan Air Force Base	$2,900,000
	Travis Air Force Base	$880,000
	Vandenberg Air Force Base	$26,250,000
Colorado	Peterson Air Force Base	$3,500,000
	United States Air Force Academy	$2,610,000
Delaware	Dover Air Force Base	$25,160,000
Florida	Cape Canaveral Air Force Station	$40,800,000
	Eglin Air Force Base	$1,680,000
	Homestead Air Force Base	$1,200,000
	Patrick Air Force Base	$7,700,000
Georgia	Moody Air Force Base	$4,380,000
	Robins Air Force Base	$11,500,000
Illinois	Scott Air Force Base	$960,000
Kansas	McConnell Air Force Base	$960,000
Louisiana	Barksdale Air Force Base	$29,120,000
Maryland	Andrews Air Force Base	$820,000
Massachusetts	Hanscom Air Force Base	$4,200,000
Mississippi	Keesler Air Force Base	$3,900,000
Missouri	Whiteman Air Force Base	$62,270,000
Montana	Malmstrom Air Force Base	$1,100,000
Nebraska	Offutt Air Force Base	$6,190,000
Nevada	Nellis Air Force Base	$6,980,000
New Jersey	McGuire Air Force Base	$8,970,000
New Mexico	Holloman Air Force Base	$11,420,000
North Carolina	Pope Air Force Base	$22,130,000
	Seymour Johnson Air Force Base	$5,230,000
North Dakota	Grand Forks Air Force Base	$6,500,000
	Minot Air Force Base	$8,650,000
Ohio	Wright-Patterson Air Force Base	$12,170,000
Oklahoma	Tinker Air Force Base	$21,280,000
	Vance Air Force Base	$2,350,000
South Carolina	Charleston Air Force Base	$32,150,000
	Shaw Air Force Base	$2,380,000
South Dakota	Ellsworth Air Force Base	$3,880,000
Texas	Brooks Air Force Base	$9,000,000
	Dyess Air Force Base	$7,300,000
	Goodfellow Air Force Base	$3,250,000
	Kelly Air Force Base	$21,360,000
	Lackland Air Force Base	$1,000,000
	Laughlin Air Force Base	$6,000,000
	Randolph Air Force Base	$1,250,000
	Sheppard Air Force Base	$6,990,000
Utah	Hill Air Force Base	$1,500,000
Virginia	Langley Air Force Base	$7,050,000
Washington	Fairchild Air Force Base	$2,510,000
	McChord Air Force Base	$2,540,000
Wyoming	F.E. Warren Air Force Base	$1,050,000
Various and Classified Locations.	Various Locations	$3,300,000
	Various Locations	$3,900,000

(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 may carry out military construction projects for the instal-

lations 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
Ascension Island	Ascension Island	$22,000,000
Germany	Rhein-Main Air Base	$3,100,000
Greenland	Thule Air Base	$24,900,000
Guam	Andersen Air Force Base	$3,090,000
Portugal	Lajes Field	$8,450,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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	Purpose	Amount
California	Beale Air Force Base.	Housing office	$306,000
	March Air Force Base.	320 units	$25,351,000
Florida	Patrick Air Force Base.	250 units	$22,500,000
Georgia	Moody Air Force Base.	Housing maintenance facility.	$290,000
	Robins Air Force Base.	55 units	$3,153,000
Illinois	Scott Air Force Base.	1,068 units	$60,000,000
Louisiana	Barksdale Air Force Base.	Housing maintenance and storage facility.	$443,000
New Mexico	Cannon Air Force Base.	361 units	$32,951,000
	Canon Air Force Base.	Housing office	$480,000
North Dakota	Minot Air Force Base.	Housing maintenance and storage facility.	$286,000
South Carolina	Shaw Air Force Base.	Housing office	$351,000
Utah	Hill Air Force Base.	82 units	$6,353,000
Portugal	Lajes Field	Water wells	$865,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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 $7,457,000.

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)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $227,824,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,064,428,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $604,990,000, of which $6,400,000 is authorized for the construction of a visual information training facility and $290,000 is authorized for construction of a television systems training facility, both located at Keesler Air Force Base, Mississippi.

(2) For military construction projects outside the United States authorized by section 2301(b), $61,540,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $95,000,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $348,610,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $942,288,000, of which not more than $150,800,000 may be obligated or expended for leasing of military family housing units worldwide.

(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) and (2) of subsection (a); and

(2) $40,000,000 (the balance of the amount authorized for construction of family housing at Scott Air Force Base, Illinois).

SEC. 2305. CHILD DEVELOPMENT CENTER RELOCATION, BUCKLEY AIR NATIONAL GUARD BASE, COLORADO.

Section 2301(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1770) is amended in the matter under the heading "COLORADO" by striking out the item relating to Lowry Air Force Base and inserting in lieu thereof the following:

"Buckley Air National Guard Base, $4,550,000.".

SEC. 2306. AUTHORIZED FAMILY HOUSING LEASE PROJECTS.

Subject to section 2835 of title 10, United States Code, the Secretary of the Air Force may enter into contracts for the lease of family housing units in the number of units shown, and at the net present value shown, for the following installations:

(1) Bolling Air Force Base, District of Columbia, 550 units, $54,200,000.

(2) Andrews Air Force Base, Maryland, 550 units, $54,200,000.

SEC. 2307. AUTHORIZED MILITARY HOUSING RENTAL GUARANTEE PROJECTS.

Subject to section 2836 of title 10, United States Code, the Secretary of the Air Force may enter into rental guarantee agreements for military housing in the number of units shown for the following installations:

(1) Elmendorf Air Force Base, Alaska, 302 units.

(2) Homestead Air Force Base, Florida, 308 units.

(3) Patrick Air Force Base, Florida, 409 units.

(4) Offutt Air Force Base, Nebraska, 400 units.

SEC. 2308. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) FISCAL YEAR 1992 PROJECTS.—(1) Section 2301 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1521) is amended—

(A) under the heading "ALASKA", by striking out the item relating to Shemya Air Force Base and inserting in lieu thereof the following:

"Shemya Air Force Base, $10,300,000.";

(B) under the heading "ARIZONA", by striking out the item relating to Luke Air Force Base and inserting in lieu thereof the following:

"Luke Air Force Base, $6,000,000.";

(C) by striking out the following:

"MONTANA

"Conrad Strategic Training Range Site, $700,000.

"Havre Strategic Training Range Site, $700,000.";

(D) under the heading "NEW YORK", by striking out the item relating to Griffiss Air Force Base and inserting in lieu thereof the following:

"Griffiss Air Force Base, $1,500,000.";

(E) under the heading "SOUTH DAKOTA", by striking out the item relating to Ellsworth Air Force Base and inserting in lieu thereof the following:

"Ellsworth Air Force Base, $2,040,000."; and

(F) under the heading "TEXAS", by striking out the item relating to Sheppard Air Force Base and inserting in lieu thereof the following:

"Sheppard Air Force Base, $16,250,000.".

(2) Section 2305(a) of such Act (105 Stat. 1525) is amended—

(A) by striking out "$2,089,303,000" and inserting in lieu thereof "$2,054,713,000"; and

(B) in paragraph (1), by striking out "$778,970,000" and inserting in lieu thereof "$744,380,000".

(b) FISCAL YEAR 1991 PROJECTS.—(1) Section 2301 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1769) is amended—

(A) under the heading "GEORGIA", by striking out the item relating to Robins Air Force Base and inserting in lieu thereof the following:

"Robins Air Force Base, $8,700,000.";

(B) under the heading "MICHIGAN", by striking out the item relating to K.I. Sawyer Air Force Base and inserting in lieu thereof the following:

"K.I. Sawyer Air Force Base, $1,400,000."; and

(C) under the heading "OKLAHOMA", by striking out the item relating to Tinker Air Force Base and inserting in lieu thereof the following:

"Tinker Air Force Base, $53,350,000.".

(2) Section 2302(a) of such Act (104 Stat. 1773) is amended by striking out the item relating to Myrtle Beach Air Force Base, South Carolina.

(3) Section 2304(a) of such Act (104 Stat. 1773) is amended—

(A) by striking out "$1,922,733,000" and inserting in lieu thereof "$1,905,075,000";

(B) in paragraph (1), by striking out "$742,255,000" and inserting in lieu thereof "$724,855,000"; and

(C) in paragraph (7)(A), by striking out "$182,965,000" and inserting in lieu thereof "$182,707,000".

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 2402(a)(1) and, in the case of the projects described in paragraphs (2), (3), and (4) of section 2402(c), other amounts appropriated pursuant to authorizations enacted after this Act for such projects, 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 Logistics Agency.	Defense Reutilization and Marketing Office, March Air Force Base, California.	$630,000
	Defense Reutilization and Marketing Office, Hill Air Force Base, Utah.	$1,700,000
	Defense General Supply Center, Richmond, Virginia.	$12,400,000
Defense Medical Facility Office.	Elmendorf Air Force Base, Alaska	$160,000,000
	March Air Force Base, California	$18,000,000
	Fort Leonard Wood, Missouri	$3,000,000
	Fort Bragg, North Carolina	$250,000,000
	Millington Naval Air Station, Tennessee.	$15,000,000
Defense Nuclear Agency	Eglin Air Force Base, Florida	$64,000,000
National Security Agency.	Fort Meade, Maryland	$6,700,000
Strategic Defense Initiative Organization.	Barking Sands, Hawaii	$2,500,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2402(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 Medical Facilities Office.	Classified Location	$8,000,000
Defense Nuclear Agency	Johnston Island	$1,500,000
National Security Agency	Classified Locations	$9,590,000
Strategic Defense Initiative Organization.	Kwajelein	$22,000,000

SEC. 2402. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, 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 $2,496,896,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $112,200,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $41,090,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of the National Defense Authorization Act, 1987 (Public Law 99-661; 100 Stat. 4035)), $27,000,000.

(4) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1640)), $16,000,000.

(5) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,508,000.

(6) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(7) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $61,818,000.

(8) For conforming storage facilities constructed under the authority of section 2404(a) of the Military Construction Authorization Act, 1987 (100 Stat. 4037), $3,580,000.

(9) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note), $440,700,000.

(10) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2687 note)), $1,743,600,000.

(11) For military family housing functions (including functions described in section 2833 of title 10, United States Code), $28,400,000, of which not more than $23,559,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1993 for military construction functions of the Defense Agencies that remain available for obligation on the date of enactment of this Act are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 2401(a) for the Defense Logistics Agency.

(c) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b);

(2) $32,000,000 (the balance of the amount authorized for the construction of the Climatic Test Chamber at Eglin Air Force Base, Florida);

(3) $240,000,000 (the balance of the amount authorized for construction of the Army Medical Center at Fort Bragg, North Carolina); and

(4) $135,000,000 (the balance of the amount authorized for construction of the hospital at Elmendorf Air Force Base, Alaska).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure 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, 1992, 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 Infrastructure Program as authorized by section 2501, in the amount of $221,200,000.

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, 1992, 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 133 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, $142,627,000; and

(B) for the Army Reserve, $36,505,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $15,715,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $229,679,000; and

(B) for the Air Force Reserve, $34,353,000.

SEC. 2602. REDUCTIONS IN CERTAIN PRIOR YEAR AUTHORIZATIONS OF APPROPRIATIONS FOR AIR FORCE RESERVE MILITARY CONSTRUCTION PROJECTS.

(a) FISCAL YEAR 1989.—Section 2601(3)(B) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2114) is amended by striking out "$63,600,000" and inserting in lieu thereof "$62,440,000".

(b) FISCAL YEAR 1990.—Section 2601(3)(B) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1645) is amended by striking out "$35,600,000" and inserting in lieu thereof "$29,050,000".

(c) FISCAL YEAR 1991.—Section 2601(3)(B) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1781) is amended by striking out "$37,700,000" and inserting in lieu thereof "$33,930,000".

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER 3 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 Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1995; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996.

(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 Infrastructure program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before the later of—

(1) October 1, 1995; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1996 for military construction contracts, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EFFECTIVE DATES.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall be in effect as of October 1, 1992, or the date of enactment of a Military Construction Authorization Act for Fiscal Year 1993, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. AUTHORITY TO CARRY OUT ENERGY CONSERVATION CONSTRUCTION PROJECTS.

(a) AUTHORITY.—Section 2865 of title 10, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) The Secretary of Defense may carry out a military construction project for energy conservation not previously specifically authorized by law if funds previously authorized to be appropriated for military construction were authorized to be made available for such project. Such project shall be carried out using funds appropriated or otherwise made available for military construction projects.".

(b) TECHNICAL AMENDMENT.—Subsection (e) of such section, as so redesignated, is amended by striking out "Beginning with fiscal year 1991 and by no later than December 31, 1991, and of each year thereafter," and inserting in lieu thereof "Not later than December 31 of each year,".

SEC. 2802. CLARIFICATION OF AUTHORITY TO LEASE NON-EXCESS PROPERTY.

(a) CLARIFICATION.—Subsection (b)(4) of section 2667 of title 10, United States Code, is amended by inserting ", in the case of the lease of real property," after "shall provide".

(b) REQUIREMENTS RELATING TO LEASE OF CERTAIN EQUIPMENT.—Such section is further amended by adding at the end the following new subsection:

"(g)(1) A weapons system or other equipment of the armed forces may not be exhibited at an international trade show or similar exhibition, and may not be transported to such show or exhibition for that purpose, unless the system or equipment is leased to the manufacturer of that system or equipment for that purpose. Each such lease shall provide for the payment by the lessee of consideration in an amount that is not less than the fair market value of the lease interest (including the costs incurred by the United States for transportation), as determined by the Secretary of the military department concerned.

"(2) Under regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned may waive the application of paragraph (1) to the exhibition of a weapon system or other equipment at an international trade show or similar exhibition if the Secretary of that military department determines that the exhibition of that system or equipment at that trade show or other exhibition is in the national security interests of the United States.".

SEC. 2803. INCREASED THRESHOLD FOR MINOR CONSTRUCTION CARRIED OUT WITH OPERATION AND MAINTENANCE FUNDS.

(a) INCREASED THRESHOLD.—Subsection (c) of section 2805 of title 10, United States Code, is amended in paragraph (1) by inserting "or for any unspecified military construction project commenced in fiscal year 1993, 1994, or 1995, not more than $1,000,000" before the period at the end.

(b) REPORT RELATING TO CONSTRUCTION.—Such subsection is amended by adding at the end the following new paragraph:

"(3) Not later than January 15 of the year following each of fiscal years 1993, 1994, and 1995, the Secretary of Defense shall submit to the Congress a report on any military construction projects carried out under this subsection during the preceding fiscal year whose cost exceeded $300,000.".

SEC. 2804. MORATORIUM ON OBLIGATION OF FUNDS FOR CONSTRUCTION OR ACQUISITION OF MILITARY FAMILY HOUSING.

(a) RESTRICTION.—None of the funds appropriated or otherwise made available to a military department in fiscal year 1993 may be expended for contracts referred to in subsection (b) until the Secretary of that military department has solicited bids for the following:

(1) Contracts for the lease of military family housing units under section 2835 of title 10, United States Code, for—

(A) projects authorized under section 2207 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1519); and

(B) projects authorized under section 2307 of such Act (105 Stat. 1526).

(2) Military housing rental guarantee agreements under section 2836 of such title, for—

(A) projects authorized under section 2107 of such Act (105 Stat. 1512);

(B) projects authorized under section 2208 of such Act (105 Stat. 1520); and

(C) projects authorized under section 2308 of such Act (105 Stat. 1527).

(b) APPLICABILITY.—The limitation in subsection (a) applies to contracts for the construction, acquisition, or lease of military family housing (other than contracts for the replacement of existing Government-owned housing or the renewal of an expiring lease) that are entered into on or after October 1, 1992.

SEC. 2805. AUTHORITY TO CONSTRUCT REPLACEMENT FAMILY HOUSING UNITS.

(a) AUTHORITY TO CONSTRUCT REPLACEMENT UNITS.—Section 2825 of title 10, United States Code, is amended—

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

(2) by adding after subsection (b) the following new subsection (c):

"(c)(1) The Secretary concerned may construct a replacement for a single family housing unit if—

"(A) the improvement of that housing unit has been authorized by law;

"(B) the Secretary determines that the improvement is no longer cost-effective by reason of a change in circumstances or in requirements relating to the unit; and

"(C) a period of 21 days elapses after the date on which the Secretary submits to the committees referred to in subsection (b)(1) a notice of the determination of the Secretary under subparagraph (B) and an economic analysis demonstrating that the construction under this subsection will be cost effective.

"(2) The amount that may be expended to construct a replacement unit under this subsection may not exceed the amount that is otherwise available to carry out the previously authorized improvement of the unit.".

(b) CONFORMING AMENDMENT.—Section 2822(b) of such title is amended by adding at the end the following new paragraph:

"(5) Housing units constructed under section 2825(c) of this title.".

Subtitle B—Defense Base Closure and Realignment

SEC. 2821. BASE CLOSURE ACCOUNT MANAGEMENT FLEXIBILITY.

(a) MANAGEMENT FLEXIBILITY UNDER 1988 ACT.—(1) Section 207(a)(2) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(A) by inserting "(A)" after "(2)";

(B) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(C) by amending clause (ii), as so redesignated, to read as follows:

"(ii) 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 or funds contained in the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note); and"; and

(D) by adding at the end the following new subparagraph:

"(B) The Secretary shall transmit written notice of, and justification for, each transfer under subparagraph (A)(ii) to the appropriate committees of Congress.".

(2) Section 207(a)(3)(A) of such Act is amended by striking out "204(a)" and inserting in lieu thereof "204".

(3)(A) Section 207(a)(5) of such Act is amended by striking "the authority of the Secretary to carry out a closure or realignment under this title" and inserting in lieu thereof "environmental restoration, community economic adjustment assistance, and disposal of property at bases selected for closure under this title".

(B) Section 207(a)(6) of such Act is amended by striking out "the authority of the Secretary to carry out a closure or realignment under this title," and inserting in lieu thereof "the activities referred to in paragraph (5),".

(b) MANAGEMENT FLEXIBILITY UNDER 1990 ACT.—(1) Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(A) by inserting "(A)" after "(2)";

(B) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(C) by amending clause (ii), as so redesignated, to read as follows:

"(ii) 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 or funds contained in the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note); and"; and

(D) by adding at the end the following new subparagraph:

"(B) The Secretary shall transmit written notice of, and justification for, each transfer under subparagraph (A)(ii) to the congressional defense committees.".

(2) Section 2906(b)(1) of such Act is amended by striking out "2905(a)" and inserting in lieu thereof "2905".

(3)(A) Section 2906(c)(2) of such Act is amended by striking out "after the termination of the Commission" and inserting in lieu thereof "after the termination of environmental restoration, community economic adjustment assistance, and disposal of property at bases selected for closure under this part".

(B) Section 2906(c)(3) of such Act is amended by striking out "after the termination of the Commission" and inserting in lieu thereof "after the termination of the activities referred to in paragraph (2)".

SEC. 2822. USE OF PROCEEDS OF THE TRANSFER OR DISPOSAL OF COMMISSARY STORE AND OTHER FACILITIES AND PROPERTY.

(a) BASE CLOSURES UNDER 1988 ACT.—Section 204(b)(4)(C) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended to read as follows:

"(C)(i) If any real property or facility acquired, constructed, or improved (in whole or in part) with commissary store funds or nonappropriated funds is transferred or disposed of in connection with the closure or realignment of a military installation under this title, a portion of the proceeds of the transfer or other disposal of property on that installation shall be deposited in a reserve account established in the Treasury to be administered and used by the Secretary for the purpose of acquiring, constructing, and improving—

"(I) commissary stores; and

"(II) real property and facilities for nonappropriated fund instrumentalities.

"(ii) The amount deposited under clause (i) 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.

"(iii) As used in this subparagraph:

"(I) The term 'commissary store funds' means funds received from the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code.

"(II) The term 'nonappropriated funds' means funds received from a nonappropriated fund instrumentality.

"(III) The term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

(b) BASE CLOSURES UNDER 1990 ACT.—Section 2906(d) of the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510; 10 U.S.C. 2687 note) is amended to read as follows:

"(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, 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)(4)(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) As used in this subsection:

"(A) The term 'commissary store funds' means funds received from the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code.

"(B) The term 'nonappropriated funds' means funds received from a nonappropriated fund instrumentality.

"(C) The term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

SEC. 2823. AUTHORITY TO TRANSFER FUNDS TO HOMEOWNERS ASSISTANCE PROGRAM.

Section 2832(b) of title 10, United States Code, is amended to read as follows:

"(b)(1) Subject to paragraphs (2) and (3), and notwithstanding subsection (i) of section 1013 of the Act referred to in subsection (a), the Secretary of Defense may transfer to the fund established pursuant to subsection (d) of such section 1013 any funds available for obligation from—

"(A) the Department of Defense Base Closure Account established by section 207 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note); and

"(B) the Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510; 10 U.S.C. 2687 note).

"(2) Any funds transferred under this subsection shall be available for obligation and expenditure for the same purposes that funds appropriated to the fund established under subsection (d) of such section 1013 are available.

"(3) Amounts may be transferred under paragraph (1) only after the date on which the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives receive from the Secretary written notice of, and justification for, the transfer.".

SEC. 2824. DEMONSTRATION PROJECT FOR THE USE OF A NATIONAL RELOCATION CONTRACTOR TO ASSIST THE DEPARTMENT OF DEFENSE.

(a) USE OF NATIONAL RELOCATION CONTRACTOR.—Subject to the availability of appropriations therefor, the Secretary of Defense shall enter into a 1-year contract with a private relocation contractor operating on a nationwide basis in order to test the cost-effectiveness of using national relocation contractors to administer the Homeowners Assistance Program.

(b) REPORT ON CONTRACT.—Not later than 1 year after the date on which the Secretary of Defense enters into a contract under subsection (a), the Comptroller General shall submit to Congress a report containing the Comptroller General's evaluation of the effectiveness of using the national contractor for administering the program referred to in subsection (a). The report shall compare the cost and efficiency of such administration with the cost and efficiency of (1) the program carried out by the Corps of Engineers using its own employees, and (2) the use of contracts with local relocation companies at military installations being closed or realigned.

SEC. 2825. REVISION OF REQUIREMENTS RELATING TO BUDGET DATA ON BASE CLOSURES.

(a) COVERED FUNDING REQUESTS.—(1) Subsection (a) of section 2822 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1546; 10 U.S.C. 2687 note) is amended—

(A) by striking out "each military construction project" and inserting in lieu thereof "military construction relating to the closure or realignment of the installation"; and

(B) by striking out "the cost of such project" and inserting in lieu thereof "the cost of such construction".

(2) Subsection (b) of such section is amended—

(A) by striking out "of a military construction project" and inserting in lieu thereof "of military construction relating to the closure or realignment of an installation"; and

(B) by striking out "the project" and inserting in lieu thereof "the construction".

(b) INVESTIGATION BY INSPECTOR GENERAL.—Subsection (c) of such section is amended—

(1) in paragraph (1)—

(A) by striking out "each military construction project" and inserting in lieu thereof "the military construction"; and

(B) by striking out "the project" and inserting in lieu thereof "such construction"; and

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following new paragraph (2):

"(2) The Inspector General shall submit to the congressional defense committees a report describing the results of each investigation conducted under paragraph (1).".

SEC. 2826. CHANGE IN DATE OF REPORT OF COMPTROLLER GENERAL TO CONGRESS AND DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION.

Section 2903(d)(5)(B) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking out "May 15 of each year" and inserting in lieu thereof "April 15 of each year".

SEC. 2827. ANNUAL REPORT RELATING TO OVERSEAS MILITARY FACILITY INVESTMENT RECOVERY ACCOUNT.

Section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(e) REPORT ON SPECIAL ACCOUNT.—(1) Not later than January 15 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the operations of the Department of Defense Overseas Military Facility Investment Recovery Account during the preceding fiscal year. The report shall include the following:

"(A) The amount of each deposit in the Account during that fiscal year, and the source of the amount.

"(B) The balance in the Account at the end of that fiscal year.

"(C) The amounts expended from the Account by each military department during that fiscal year.

"(D) With respect to each military installation for which money was deposited in the Account as a result of the release of real property or improvements of the installation to a host country during that fiscal year—

"(i) the total amount of the investment of the United States in the installation, ex-

pressed in terms of constant dollars of that fiscal year;

"(ii) the depreciated value (as determined by the Secretary of a military department under regulations prescribed by the Secretary of Defense) of the real property and improvements that were released; and

"(iii) the explanation of the Secretary for any difference between the amount paid to the United States for the real property and improvements and the depreciated value (as so determined) of that real property and improvements.

"(2) The Secretary of Defense shall prescribe regulations to carry out this subsection.".

Subtitle C—Land Transactions

SEC. 2831. MODIFICATION OF LAND EXCHANGE, SAN DIEGO, CALIFORNIA.

Section 837 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1529) is amended—

(1) in subsection (a) by striking out "or the San Diego Energy Recovery Project, a joint powers agency of the city and county of San Diego (hereinafter in this section referred to as 'SANDER'),";

(2) by striking out subsection (c);

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

(4) by inserting after subsection (b) the following new subsections:

"(c)(1) In lieu of the conveyance of the 120 acres of land referred to in subsection (b) as consideration for the conveyance under subsection (a), the Secretary of the Navy may permit the City—

"(A) to convey to the Secretary other real property suitable for use, as determined by the Secretary, for military family housing;

"(B) to pay the Secretary an amount sufficient to satisfy the requirement referred to in the first sentence of subsection (d); or

"(C) to make both the conveyance described in subparagraph (A) and a payment described in subparagraph (B).

"(2) The Secretary may permit the alternative conveyance under paragraph (1) only if the Secretary determines that the City will use the 120 acres of land for purposes associated with the clean water program of the City that are compatible with the mission and operations of the adjacent Naval Air Station, Miramar.

"(d) The total value of the consideration provided to the United States under subsections (b) and (c) shall be at least equal to the fair market value of the lands conveyed under subsection (a), as determined by the Secretary. The City shall pay any difference to the United States.

"(e)(1) The Secretary may use any amounts received under this section solely for the purpose of acquiring in the area of San Diego, California, a suitable site for military family housing or for the purpose of constructing or acquiring by direct purchase not more than 200 units of military family housing in that area.

"(2) Any funds received by the Secretary under this section and not so used within 30 months after receipt shall be deposited into the special account established pursuant to section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).";" and

(5) in subsection (e), as redesignated by paragraph (3), by striking out "or SANDER or by the City and SANDER".

SEC. 2832. LAND ACQUISITION AND EXCHANGE, MYRTLE BEACH AIR FORCE BASE AND POINSETT WEAPONS RANGE, SOUTH CAROLINA.

(a) LAND CONVEYANCE.—The Secretary of the Air Force may convey to the State of South Carolina all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 3,744 acres and comprising the Myrtle Beach Air Force Base, South Carolina, or any portion of that parcel, together with any improvements thereon.

(b) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the State of South Carolina shall—

(A) convey to the United States all right, title, and interest of the State of South Carolina in and to the parcels of land (together with any improvements thereon) described to in paragraph (2); and

(B) pay to the United States an amount equal to the amount, if any, by which the fair market value of the land conveyed under subsection (a) exceeds the fair market value of the land conveyed under subparagraph (A).

(2) The parcels of land referred to in paragraph (1) are the following:

(A) The Poinsett Weapons Range, a parcel consisting of approximately 8,358 acres that is located in Sumter County, South Carolina, and is currently leased by the Air Force from the State of South Carolina.

(B) Other parcels contiguous to the Poinsett Weapons Range that—

(i) are owned by the State of South Carolina, including parcels acquired by the State of South Carolina for the purposes of satisfying the requirements of this subsection; and

(ii) the Secretary determines are necessary for the Air Force to improve or enlarge the configuration of the Poinsett Weapons Range to suit the needs of the Air Force as a bombing range.

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the parcels of real property to be conveyed pursuant to subsections (a) and (b)(1)(A). Such determinations shall be final.

(d) USE OF FUNDS.—Any funds paid to the Secretary under subsection (b)(1)(B) shall be deposited in the Department of Defense Base Closure Account 1990 established under section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2687 note)) and shall be available for use in accordance with subsection (b) of such section 2906.

(e) RESERVATION FOR HARVESTING FOREST PRODUCTS.—The Secretary may accept the conveyance of the parcel of real property referred to in subsection (b)(1)(A) subject to a reservation permitting the harvesting of forest products on the parcel by the South Carolina State Forestry Commission. A reservation granted under this subsection shall be subject to such conditions as the Secretary may prescribe.

(f) DESCRIPTIONS OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed pursuant to subsections (a) and (b)(1)(A) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the State of South Carolina.

(g) REVERSIONARY INTEREST.—The major portion of the land to be conveyed by the State of South Carolina under subsection (b)(2) was originally conveyed to the South Carolina State Forestry Commission by the United States under the Bankhead-Jones Farm Tenant Act (50 Stat. 522; 7 U.S.C. 1000 et seq.), subject to reservation of mineral rights and subject also to a reversion of title if the State ceased to use such properties for public purposes. The conveyance of such land to the United States under subsection (b)(2) shall be deemed to be in compliance with the public purpose covenants imposed upon conveyance to the South Carolina State Forestry Commission.

(h) AUTHORITY TO ACQUIRE ADDITIONAL LAND.—Subject to section 2662(a) of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary may acquire such additional parcels of land in the vicinity of Poinsett Weapons Range, South Carolina, as the Secretary determines are necessary to enhance the usefulness of the Poinsett Weapons Range as a bombing range.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2833. MODIFICATION OF LAND EXCHANGE, BURLINGTON, VERMONT.

Section 2387 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1800) is amended—

(1) in subsection (b), by striking out "the Burlington, Vermont, area" and inserting in lieu thereof "the State of Vermont";

(2) in subsection (c)(1)(A), by striking out "$800,000" and inserting in lieu thereof "$600,000, with such payment to be made (before the date of the conveyance authorized by subsection (a)) in a lump sum, in yearly installments, or under such other terms and conditions as the Secretary determines to be in the interest of the United States";

(3) in subsection (c)(2), by striking out "January 1, 1993," and inserting in lieu thereof "June 1, 1995,"; and

(4) by adding at the end of subsection (c) the following new paragraph:

"(3) The Secretary may permit the City of Burlington, Vermont, to make alterations or improvements to the property referred to in subsection (a) before the Secretary conveys the property to the City. The making of such alterations and improvements pursuant to this paragraph shall be subject to terms and conditions that the Secretary determines to be appropriate and shall be subject to the prior approval of the Secretary.".

SEC. 2834. LEASE OF PROPERTY, NAVAL SUPPLY CENTER, OAKLAND, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the Union Pacific Railroad Company (in this section referred to as the "Company") not more than 15 acres of real property, together with improvements thereon, located at the Naval Supply Center, Oakland, California.

(b) TERM OF LEASE; RESTRICTIONS ON USE.—The lease (1) shall be for an initial period of not more than 25 years, (2) shall contain an option for the Company to extend the lease for an additional period of not more than 25 years, and (3) shall contain the restriction that the Company use the leased property only for freight transportation purposes.

(c) CONSIDERATION.—(1) As consideration for the lease of the real property under subsection (a), the Company—

(A) shall pay to the Navy the long-term fair market rental value of the leased property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the lease include a provision for the Company—

(A) to pay the Navy an amount (as determined by the Secretary) for the costs of replacing at the Naval Supply Center, Oakland, California, the facilities vacated by the Navy on the leased property or to construct the replacement facilities for the Navy; and

(B) to pay the Navy an amount (as so determined) for the costs of relocating Navy operations from the vacated facilities to the replacement facilities.

(d) USE OF FUNDS.—(1) Section 2667(d) of title 10, United States Code, shall apply to amounts paid under subsection (c)(1)(A) of this section.

(2) The Secretary may use amounts received under subsection (c)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy on the leased property and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(e) AUTHORITY TO DEMOLISH.—The Secretary may authorize the Company to demolish existing facilities on the leased property and, consistent with the restriction required by subsection (b)(3), construct new facilities on the property for the use of the Company.

(f) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with the lease authorized under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. AUTHORITY TO LEASE PROPERTY AT NAVAL SUPPLY CENTER, OAKLAND, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the City of Oakland, California, or the Port of Oakland, California (in this section referred to as the "City" and the "Port", respectively), not more than 195 acres of real property, together with improvements thereon, located at the Naval Supply Center, Oakland, California.

(b) TERMS OF LEASE; RESTRICTION ON USE.—The lease (1) shall be for an initial period of not more than 25 years, (2) shall contain an option to extend the lease for an additional period of not more than 25 years, and (3) shall contain the restriction that the City or the Port (as the case may be) use the leased property in a manner consistent with Navy operations conducted at the Naval Supply Center.

(c) CONSIDERATION.—(1) As consideration for the lease of the real property under subsection (a), the City or the Port (as the case may be)—

(A) shall pay to the Navy the long-term fair market rental value of the leased property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the lease include a provision for the City or the Port (as the case may be)—

(A) to pay the Navy an amount (as determined by the Secretary) for the costs of replacing at the Naval Supply Center, Oakland, California, the facilities vacated by the Navy on the leased property or to construct the replacement facilities for the Navy; and

(B) to pay the Navy an amount (as so determined) for the costs of relocating Navy operations from the vacated facilities to the replacement facilities.

(d) LIMITATION ON ENTRY INTO LEASE.—The Secretary may not enter into the lease authorized by subsection (a) until 21 days after the date on which the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report containing an explanation of the terms of the proposed lease and a description of the consideration that the Secretary expects to receive under the lease.

(e) USE OF FUNDS.—(1) Section 2667(d) of title 10, United States Code, shall apply to amounts paid under subsection (c)(1)(A) of this section.

(2) The Secretary may use amounts received under subsection (c)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy on the leased property and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(f) AUTHORITY TO DEMOLISH.—The Secretary may authorize the City or the Port (as the case may be) to demolish existing facilities on the leased property and, consistent with the restriction required by subsection (b)(3), construct new facilities on the property for the use of the City or the Port.

(g) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with lease authorized by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(h) REPEAL OF SUPERSEDED AUTHORITY.—Section 2338 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1225) is repealed.

SEC. 2836. GRANT OF EASEMENT AT NAVAL AIR STATION MIRAMAR, SAN DIEGO, CALIFORNIA.

(a) AUTHORITY TO GRANT EASEMENT.—Subject to subsection (b), the Secretary of the Navy may grant to San Diego Gas and Electric Company (in this section referred to as "SDG&E") an easement on a parcel of real property consisting of approximately 120 acres that is located in the northeast portion of Naval Air Station Miramar, California (in this section referred to as the "Air Station"). The purpose of the easement is to enable SDG&E to construct, operate, and maintain an electric transmission substation and associated electric transmission lines.

(b) CONSIDERATION.—(1) In consideration for the grant of an easement to SDG&E under subsection (a), SDG&E shall pay to the United States an amount that is not less than the fair market value of that easement, as determined by the Secretary.

(2) The Secretary may accept from SDG&E, in lieu of payment of up to 50 percent of the agreed consideration, the following:

(A) The establishment of an alternative source of 12 kilovolts of electric power for the Air Station.

(B) Such improvements to the electrical distribution system of the Air Station as the Secretary designates for the purposes of this paragraph.

(c) USE OF PROCEEDS.—(1) The amounts of consideration paid under subsection (b) shall be deposited in the special account established for the Department of the Navy under section 2667(d)(1)(A) of title 10, United States Code.

(2) To the extent provided in appropriations Acts, of the sums in such account—

(A) there shall be available for facility maintenance and repair and for environmental restoration by the Department of the Navy the amount equal to 50 percent of the total agreed consideration for the grant of the easement under subsection (a); and

(B) there shall be available for facility maintenance and repair or environmental restoration of the Air Station, the amount equal to the excess (if any) of 50 percent of such total consideration over the amount equal to the sum of—

(i) the total cost incurred by SDG&E for the establishment of the alternative power source pursuant to subsection (b)(2)(A); and

(ii) the total cost of the improvements made by SDG&E pursuant to subsection (b)(2)(B).

(d) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property subject to the easement granted under this section shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by SDG&E.

(e) ADDITIONAL TERMS.—The Secretary may require any additional terms and conditions in connection with the grant of an easement under this section that the Secretary considers appropriate to protect the interests of the United States.

SEC. 2837. LAND CONVEYANCE, NAVAL RESERVE CENTER, SANTA BARBARA, CALIFORNIA.

(a) CONVEYANCE.—The Secretary of the Navy may convey to the City of Santa Barbara, California (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property consisting of approximately one acre, including improvements thereon, the location of the Santa Barbara Naval Reserve Center.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to the lesser of—

(1) $2,400,000; or

(2) the cost incurred by the Secretary in constructing a naval reserve center to replace the naval reserve center conveyed under subsection (a).

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) That the City enter into an agreement with the Secretary of Transportation for the City—

(A) to permit, at no cost to the Federal Government, the Coast Guard to remain in the space currently occupied by the Coast Guard in the facility referred to in subsection (a); or

(B) to provide the Coast Guard, at no cost to the Federal Government, with space in a facility acceptable to the Secretary of Transportation that is sufficient to replace the space referred to in subparagraph (A) from which the Coast Guard is displaced by the City.

(2) That the City enter into an agreement with the Administrator of the National Oceanic and Atmospheric Administration for the City—

(A) to permit, at no cost to the Federal Government, the National Oceanic and Atmospheric Administration (in this section referred to as "NOAA") to remain until May 1, 1993 (or a later date agreed to by the City and the Administrator of the National Oceanic and Atmospheric Administration), in the space currently occupied by NOAA in the facility referred to in subsection (a); or

(B) to provide NOAA until such date, at no cost to the Federal Government, with space in a facility acceptable to the Administrator of the National Oceanic and Atmospheric Administration that is sufficient to replace the space referred to in subparagraph (A) from which NOAA is displaced by the City.

(3) That the City enter into an agreement with the Secretary of the Navy for the City to permit the Navy to use, at no cost to the Federal Government, the naval reserve center referred to in subsection (a) until the replacement facility to be constructed in accordance with subsection (d) is suitable for occupancy by the Navy, as determined by the Secretary.

(d) REPLACEMENT CENTER.—The Secretary of the Navy shall use the amount paid by the City under subsection (b) to construct a naval reserve center to replace the naval re-

serve center conveyed pursuant to subsection (a). Such replacement center shall be constructed at the Naval Construction Battalion Center, Port Hueneme, California, or at another location determined by the Secretary to be suitable for such a center.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of such survey shall be borne by the City.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyance and agreements under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2838. CONVEYANCE OF WASTE WATER TREATMENT PLANT, FORT RITCHIE, MARYLAND.

(a) IN GENERAL.—The Secretary of the Army may convey to the Washington County, Maryland, Sanitary District (in this section referred to as the "Sanitary District") all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 4.5 acres, including a waste water treatment facility and other improvements located thereon, located at Fort Ritchie, Maryland.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a) the Sanitary District shall provide the Army with disposal services, waste water treatment services, and other related services at the facility. The value of the services provided the Army shall be equal to the fair market value of the property conveyed pursuant to subsection (a), as determined jointly by the Secretary and the Sanitary District.

(c) CONDITIONS.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) That the Sanitary District reserve 70 percent of the operating capacity of the waste water treatment facility referred to in subsection (a) for use by the Army in the event that such use is necessitated by a realignment of, or change in the operations of, the Army at Fort Ritchie, Maryland.

(2) That the Sanitary District ensure the compliance of the waste water treatment facility with applicable environmental laws, including the construction of any improvement and the satisfaction or any permit or license requirements that may be necessary to ensure such compliance.

(3) That the cost of the construction of the improvements referred to in paragraph (2) be borne by the Sanitary District and the Army according to the pro rata share of the operating capacity of the waste water treatment facility reserved to the Army and the Sanitary District, respectively.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the Sanitary District.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. ACQUISITION OF INTERESTS IN LAND, NAVAL RADIO STATION, JIM CREEK, WASHINGTON.

(a) AUTHORITY TO ACQUIRE.—The Secretary of the Navy may acquire all right, title, and interest (including timber rights) of any party in and to a parcel of land consisting of approximately 225 acres, or any portion of the parcel, located in Snohomish County, Washington, and comprising a portion of Naval Radio Station, Jim Creek, Washington.

(b) CONSIDERATION.—(1) As consideration for an interest acquired by the Secretary pursuant to the authority in subsection (a), the Secretary—

(A) shall pay the person conveying that interest, out of funds available to the Secretary for the acquisition of interests in real property (including funds available for the Legacy Resource Management Program), the amount determined under paragraph (2);

(B) shall, with the consent of that person, convey to such person all right, title, and interest of the United States in and to a quantity of merchantable timber at the Naval Radio Station, Jim Creek, determined under paragraph (2); or

(C) shall, with the consent of such person, make such a payment and such a conveyance to that person.

(2) The total of the amount paid a person pursuant to paragraph (1)(A), if any, and the fair market value of the quantity (to the extent of the interest) of merchantable timber conveyed to that person pursuant to paragraph (1)(B), if any, shall be equal to the fair market value of the property interest acquired from that person under subsection (a).

(c) OPTION TO PURCHASE.—The Secretary may purchase an option to purchase a property interest authorized to be acquired under subsection (a). The Secretary may use funds referred to in subsection (b)(1)(A) for the purchase of such an option.

(d) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the property interests acquired under subsection (a) and the merchantable timber, if any, conveyed under subsection (b). Such determinations shall be final.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of each parcel of real property an interest in which is acquired under subsection (a) or conveyed under subsection (b) shall be determined by a survey that is satisfactory to the Secretary and is conducted at no cost to the United States (except that the Secretary shall bear such cost in the case of a gift to the United States).

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the acquisitions authorized under subsection (a) and the conveyances, if any, authorized under subsection (b) that the Secretary determines necessary to protect the interests of the United States.

SEC. 2840. LAND CONVEYANCE, WILLIAMS AIR FORCE BASE, ARIZONA.

(a) IN GENERAL.—(1) The United States may acquire by condemnation or otherwise—

(A) all right, title, and interest of the State of Arizona (including any mineral rights) in and to the trust lands of the State of Arizona described in paragraph (2); and

(B) any trust mineral estate of the State of Arizona located beneath the surface estates of the United States in the lands described in paragraph (3).

(2) The trust lands referred to in paragraph (1)(A) are as follows:

(A) A parcel or parcels consisting of approximately 81,121 acres located in the Goldwater Aerial Gunnery Range, Yuma County and Maricopa County, Arizona, and used by the Air Force for activities relating to aerial gunnery and bombing practice.

(B) A parcel or parcels consisting of approximately 7,563 acres located in the Yuma Test Station, Yuma County, Arizona, and used by the Army for activities relating to field artillery testing.

(C) A parcel or parcels consisting of approximately 1,537 acres located in the Fort Huachuca East Range, Cochise County, Arizona, and used by the Army for activities relating to field training exercises.

(D) A parcel or parcels consisting of approximately 133 acres located in Davis-Monthan Air Force Base, Tucson, Arizona.

(E) A parcel consisting of approximately five acres located in section 14, T4N, R3E of the State of Arizona, Phoenix, Arizona, and used as part of the Arizona National Memorial Cemetery.

(3) The lands referred to in paragraph (1)(B) are as follows:

(A) A parcel or parcels consisting of approximately 50,355 acres located in the Goldwater Aerial Gunnery Range, Arizona.

(B) A parcel or parcels consisting of approximately 12,781 acres located in the Yuma Test Station, Arizona.

(C) A parcel or parcels consisting of approximately 12,943 acres located in the Fort Huachuca East Range, Arizona.

(b) CONSIDERATION.—As consideration for the acquisition by the United States of Arizona trust lands under paragraph (1)(A) of subsection (a) and any mineral rights under paragraph (1)(B) of that subsection, the Secretary of the Air Force shall convey to the State of Arizona all right, title, and interest of the United States in and to a parcel of real property located at Williams Air Force Base, Arizona, together with any improvements thereon, that is approximately equal in fair market value to the fair market value of the property and mineral rights acquired under that subsection.

(c) CONDITIONS.—The Secretary of the Air Force may make the conveyance described in subsection (b) only if—

(1) the fair market value of the real property and mineral rights acquired by the United States under subsection (a) is at least equal to the fair market value of the property conveyed by the Secretary of the Air Force under subsection (b);

(2) the conveyance of the Secretary of the Air Force to the State of Arizona under subsection (b) is accepted as full consideration for the conveyance of property and mineral rights to the United States under subsection (a) and terminates all right, title, and interest of all parties other than the United States in and to the property and mineral rights conveyed to the United States under subsection (a); and

(3) the Secretary of the Air Force has complied with all environmental protection, remediation, and restoration laws that are applicable to the disposal of the real property at Williams Air Force Base, Arizona, that is conveyed to the State of Arizona under subsection (b).

(d) RESTRICTION ON USE OF CERTAIN PROPERTY.—The Secretary of Veterans Affairs shall use as a cemetery any property referred to in paragraph (2)(E) of subsection (a) that is acquired by the United States under that subsection. Such use shall be subject to the provisions of chapter 24 of title 38, United States Code.

(e) LIMITATION ON CONVEYANCE AUTHORITY.—The conveyance of real property described in subsection (b) may not be made until adequate prior opportunity has been provided for the disposition of such property as provided in section 2905(b) 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), except the requirement for disposition by public advertising.

(f) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary of the Air Force shall determine the fair market value of the parcels of real property to be acquired pursuant to subsection (a)(1)(A), the mineral rights to be acquired pursuant to subsection (a)(1)(B), and the parcel of real property to be conveyed pursuant to subsection (b). Such determinations shall be final.

(g) DESCRIPTIONS OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be acquired pursuant to subsection (a)(1)(A), the parcels of real property referred to in subsection (a)(1)(B), and the parcels of real property conveyed pursuant to subsection (b) shall be determined by surveys that are satisfactory to the Secretary of the Air Force and the State of Arizona. The cost of such surveys shall be borne by the State of Arizona.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require any additional terms and conditions in connection with the conveyance and acquisitions under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2841. REAL PROPERTY CONVEYANCE, NAVAL STATION PUGET SOUND, EVERETT, WASHINGTON.

(a) IN GENERAL.—(1) The Secretary of the Navy may convey to any person all right, title, and interest of the United States in and to the parcels of land described in paragraph (2).

(2) The parcels of land referred to in paragraph (1) are the following parcels of land located in the State of Washington:

(A) A parcel of land consisting of approximately 68 acres and comprising the naval family housing area at Paine Field, Snohomish County, Washington, together with improvements thereon.

(B) A parcel of land consisting of approximately 11 acres and comprising a portion of the naval family housing area at Pier 91, Seattle, Washington, together with improvements thereon.

(C) A parcel of land consisting of approximately 1 acre and comprising a portion of the naval family housing area at Pier 91, Seattle, Washington, that is not contiguous to the parcel referred to in subparagraph (B), together with improvements thereon.

(b) CONSIDERATION.—(1) In consideration for the conveyance of a parcel of land authorized in subsection (a), the person accepting the conveyance shall—

(A) pay the Secretary an amount equal to the fair market value of the parcel and any improvements located thereon; or

(B) convey to the United States of all right, title, and interest of the person in and to a parcel of land, together with any improvements thereon, located in the area of the Naval Station Puget Sound, Everett, Washington, that the Secretary determines to be suitable for family housing for Naval Station Puget Sound and, if the fair market value of the parcel conveyed by the United States exceeds the fair market value of the parcel conveyed to the United States, pay to the Secretary the amount equal to such excess.

(2) The Secretary shall determine the fair market value of the parcels of land conveyed pursuant to subsection (a)(1) and the parcels of land, if any, conveyed pursuant to paragraph (1)(B).

(c) NOTICE TO COMMITTEES.—The Secretary may not enter into a conveyance or sale of real property, as the case may be, under this section until the Secretary has notified the congressional defense committees of the details of the proposed conveyance or sale, as the case may be, and a period of 21 days has elapsed following the day on which the committees receive the notification.

(d) USE OF FUNDS.—(1) To the extent provided in appropriations Acts, the Secretary shall use any amounts paid to the Secretary under subsection (b)(1) for the following purposes:

(A) Acquiring in the vicinity of Naval Station Puget Sound land that is suitable (as determined by the Secretary) for family housing for Naval Station Puget Sound.

(B) Acquiring or constructing not more than 350 units of family housing for Naval Station Puget Sound.

(2) If amounts referred to in paragraph (1) remain unexpended after the acquisition or construction of the family housing referred to in that paragraph, the Secretary shall deposit such unexpended amounts in the account established under section 204(h)(2) of the Federal Property and Administrative Services Act (40 U.S.C. 485(h)(2)).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal descriptions of the parcels of land conveyed pursuant to this section shall be determined by surveys satisfactory to the Secretary.

(f) 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. 2842. CONVEYANCE OF HASTINGS RADAR BOMB SCORING SITE, NEBRASKA.

(a) CONVEYANCE.—The Secretary of the Air Force may convey to Central Community College, Hastings Nebraska (in this section referred to as the "College"), all right, title, and interest of the United States in and to three parcels of property located in Hastings, Nebraska, which have served as a support complex for the Hastings Radar Bomb Scoring Site.

(b) CONSIDERATION.—In consideration for the conveyance under subsection (a), the College shall pay to the United States an amount equal to the fair market value of the land conveyed under subsection (a), as determined by the Secretary.

(c) USE OF PROCEEDS.—The Secretary shall deposit the proceeds of the sale of property authorized by this section in the special account established pursuant to section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the College.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2843. LAND CONVEYANCE, ABBEVILLE, ALABAMA.

(a) IN GENERAL.—The Secretary of the Army may convey, without consideration, to the City of Abbeville, Alabama, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 4 acres, together with improvements thereon, the site of a proposed Army Reserve Center, Abbeville, Alabama.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the City of Abbeville, Alabama.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2844. TERMINATION OF LEASE AND SALE OF FACILITIES, NAVAL RESERVE CENTER, ATLANTA, GEORGIA.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Navy may—

(1) negotiate the termination of the remaining lease of the Navy of 2.27 acres of land located at the Georgia Institute of Technology, Atlanta, Georgia (in this section referred to as the "Institute"); and

(2) sell to the Institute the Naval Reserve Center facilities located on such land.

(b) CONSIDERATION.—As consideration for the termination of the lease interest referred to in subsection (a)(1) and the sale of the facilities referred to in subsection (a)(2), the Institute shall pay the Secretary an amount equal to the aggregate of the fair market value of the remaining lease referred to in such subsection (a)(1) and the facilities referred to in such subsection (a)(2).

(c) USE OF FUNDS.—(1)(A) To the extent provided in appropriations Acts and subject to subparagraph (B), the Secretary shall use the amount paid by the Institute under subsection (b) to expand the Marine Corps Reserve Center to be constructed at Dobbins Air Force Base, Georgia, in a manner which permits the use of a portion of that Center as replacement facilities for the naval reserve facilities referred to in subsection (a)(1).

(B) The expanded portion of the Marine Corps Reserve Center described under subparagraph (A) shall be under the jurisdiction of the Marine Corps Reserve.

(2) If any portion of the amount referred to in paragraph (1) remains unexpended after the construction of the naval reserve facilities referred to in that paragraph, the Secretary shall deposit that portion in the account established under section 204(h) of the Federal Property and Administrative Services Act (40 U.S.C. 485(h)).

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary considers appropriate to protect the interests of the United States.

SEC. 2845. LAND CONVEYANCE, FORT CHAFFEE, ARKANSAS.

(a) CONVEYANCE.—The Secretary of the Army shall convey to the City of Fort Smith, Arkansas (in this section referred to as the "City"), all right, title, and interest (other than any oil, gas, or mineral interest) of the United States in and to a parcel of real property consisting of approximately 400 acres, together with improvements thereon, located at Fort Chaffee, Arkansas.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City—

(1) shall provide the Army with such services at Fort Chaffee as the Secretary and the City shall jointly determine, the fair market value of which services shall be equal to the fair market value of the property conveyed pursuant to subsection (a); or

(2) shall—

(A) provide the Army with such services at Fort Chaffee as the Secretary and the City shall jointly determine; and

(B) in the event that the fair market value of the property conveyed pursuant to subsection (a) exceeds the fair market value of the services provided under subparagraph (A), pay to the Secretary the amount equal to such excess.

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the parcel of real property to be conveyed under subsection (a) and the value of the services, if any, to be provided under paragraph (1) or (2) of subsection (b). Such determinations shall be final.

(d) USE OF PROCEEDS.—The Secretary shall deposit the amount of the consideration, if any, paid under subsection (b)(2)(B) in the account established under section 204(h) of the Federal Property and Administrative Services Act (40 U.S.C. 485(h)).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of land conveyed pursuant to this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under subsection (a) that the Secretary considers appropriate to protect the interests of the United States.

Subtitle D—Transfer of Jurisdiction of Rocky Mountain Arsenal

SEC. 2851. DEFINITIONS.

In this subtitle:

(1) The term "Arsenal" means the Rocky Mountain Arsenal in the State of Colorado.

(2) The term "hazardous substance" has the meaning given such term in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14)).

(3) The term "refuge" means the Rocky Mountain Arsenal National Wildlife Refuge established pursuant to this subtitle.

SEC. 2852. TRANSFER OF JURISDICTION OVER ROCKY MOUNTAIN ARSENAL.

(a) MANAGEMENT PENDING TRANSFER.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Army and the Secretary of the Interior shall enter into a memorandum of understanding under which—

(1) the Secretary of the Army shall transfer to the Secretary of the Interior, without reimbursement, all responsibility to manage for wildlife and public use purposes the real property comprising the Rocky Mountain Arsenal in the State of Colorado, except the property and facilities described in subsection (c) or designated for disposal under section 2855; and

(2) the Secretary of the Interior shall establish and manage the real property described in paragraph (1) as a unit of the National Wildlife Refuge System.

(b) TRANSFER UPON COMPLETION OF REMEDIATION MEASURES.—

(1) IN GENERAL.—Upon the certification of the Administrator of the Environmental Protection Agency that the cleanup and remediation measures required at the Arsenal under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) have been completed (except for operation and maintenance associated with the measures), the Secretary of the Army shall transfer to the Secretary of the Interior jurisdiction over the real property comprising the Arsenal, except the property and facilities described in subsection (c) or designated for disposal under section 2855.

(2) COST.—The transfer shall be made without cost to the Secretary of the Interior.

(3) IMPROVEMENTS.—The transfer shall include any improvement on the property made by the Secretary of the Army if the Secretary of the Interior requests in writing that the improvement be transferred for refuge management purposes.

(4) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property subject to transfer under this subsection shall be determined by a survey that is satisfactory to the Secretary of the Army and the Secretary of the Interior. The Secretary of the Army shall bear any costs related to the survey.

(c) PROPERTY AND FACILITIES EXCLUDED FROM MEMORANDUM AND TRANSFER.—

(1) PROPERTY REQUIRED TO BE RETAINED BY THE SECRETARY OF THE ARMY.—

(A) IN GENERAL.—The Secretary of the Army shall retain jurisdiction, authority, and control over all real property at the Arsenal used for water treatment, the disposition of hazardous substances, or other purposes related to cleanup and remediation activities at the Arsenal.

(B) CONSULTATION WITH SECRETARY OF THE INTERIOR.—The Secretary of the Army shall—

(i) consult with the Secretary of the Interior regarding the identification and management of all real property retained under this paragraph; and

(ii) ensure that activities carried out by the Department of the Army on that property are, to the extent practicable, compatible with the wildlife and public use purposes of the real property at the Arsenal managed by the Secretary of the Interior.

(2) DISPOSITION FOR COMMERCIAL, HIGHWAY, OR OTHER PUBLIC PURPOSES.—The Secretary of the Army shall dispose of real property designated in subsection (a) of section 2855 in the manner provided for in such section.

(3) CONTINUATION OF LEASE OF PUBLIC FACILITIES.—

(A) IN GENERAL.—Nothing in this subtitle shall affect the validity or continued operation of leases of the Department of the Army in existence on the date of enactment of this subtitle that involve the real property at the Arsenal described in subparagraph (B).

(B) PROPERTY.—The property referred to in subparagraph (A) is—

(i) a parcel consisting of approximately 12.08 acres containing the South Adams County Water Treatment Plant and described in Department of the Army lease No. DACA 45-1-87-6121; and

(ii) a parcel consisting of approximately 63.04 acres containing a United States Postal Service facility and described in Department of the Army lease No. DACA 45-4-71-6185.

SEC. 2853. CONTINUATION OF JURISDICTION AND LIABILITY OF THE SECRETARY OF THE ARMY FOR ENVIRONMENTAL REMEDIATION.

(a) JURISDICTION OVER CLEANUP AND REMEDIATION ACTIVITIES.—

(1) IN GENERAL.—Notwithstanding the memorandum of understanding required under section 2852(a), the Secretary of the Army shall retain jurisdiction, authority, and control over the management of the real property at the Arsenal that is subject to the memorandum for purposes of conducting cleanup and remediation activities relating to environmental remediation of that property under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws.

(2) MANAGEMENT OF REFUGE.—The management by the Secretary of the Interior of the refuge established pursuant to section 2854 shall be subject to any cleanup and remediation activities relating to the environmental remediation of the property carried out by the Secretary of the Army under the laws referred to in paragraph (1).

(b) RESPONSIBILITY TO CONDUCT CLEANUP AND REMEDIATION ACTIVITIES.—Nothing in this subtitle shall relieve, and no action may be taken under this subtitle to relieve, the Secretary of the Army or any non-Federal party from any obligation or other liability to carry out or provide for the environmental remediation of the Arsenal under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws. Nothing in this subtitle is intended to restrict or define the level of cleanup on the Arsenal to be carried out under applicable laws.

(c) ADMINISTRATION OF UNITED STATES LIABILITY.—

(1) IN GENERAL.—All liability of the United States under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other environmental laws for existing conditions, both known and unknown, at the Arsenal as of the date of enactment of this subtitle shall be the sole responsibility of those Federal agencies that had operations on the Arsenal resulting in the introduction of hazardous substances before the date of enactment of this Act.

(2) AFTER FINAL TRANSFER.—After final transfer under section 2852(b), the Secretary of the Army shall retain environmental liability as set forth in this section and shall be accorded all easements and access as may be reasonably required to carry out obligations arising out of the liability.

(d) CONSULTATION.—In carrying out environmental remediation activities with respect to the Arsenal, the Secretary of the Army shall consult with the Secretary of the Interior to ensure that the remediation is carried out in a manner consistent with the purposes for which the refuge is established under section 2854(c).

SEC. 2854. ESTABLISHMENT OF THE ROCKY MOUNTAIN ARSENAL NATIONAL WILDLIFE REFUGE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Interior shall establish a national wildlife refuge, to be known as the Rocky Mountain Arsenal National Wildlife Refuge, that consists of the real property required to be transferred under section 2852(b).

(2) NOTICE.—The Secretary of the Interior shall publish a notice of the establishment of the refuge in the Federal Register.

(b) ADMINISTRATION.—

(1) IN GENERAL.—The Secretary of the Interior shall manage the refuge in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.) and other applicable laws.

(2) CONSULTATION.—In developing plans for the management of fish and wildlife at, and public use of, the refuge, the Secretary of the Interior shall—

(A) consult with the head of the Colorado Department of Natural Resources and the heads of units of local government adjacent to the refuge; and

(B) provide an opportunity for public comment on the plans.

(c) PURPOSES OF THE REFUGE.—The refuge shall be established for the purposes of—

(1) conserving and enhancing populations of fish, wildlife, and plants within the refuge,

including populations of waterfowl, raptors, passerines, marsh and water birds, and species presently or in the future listed as threatened or endangered;

(2) providing maximum fish and wildlife oriented public uses at levels compatible with the conservation and enhancement of wildlife and wildlife habitat;

(3) providing opportunities for compatible scientific research;

(4) providing opportunities for compatible environmental and land use education;

(5) conserving and enhancing the land and water of the refuge in a manner that will conserve and enhance the natural diversity of fish, wildlife, plants, and their habitats;

(6) protecting and enhancing the quality of aquatic habitat within the refuge; and

(7) fulfilling international treaty obligations of the United States with respect to fish and wildlife and their habitats.

(d) LIMITATIONS.—

(1) CLEANUP AND REMEDIATION ACTIVITIES.—

(A) IN GENERAL.—The management of the refuge by the Secretary of the Interior shall be subject to those cleanup and remediation activities relating to the environmental remediation of the Arsenal that are carried out by the Secretary of the Army under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws.

(B) EFFECT OF ESTABLISHMENT OF REFUGE.—The establishment of the refuge shall not limit, restrict, or modify in any way the ongoing environmental remediation conducted pursuant to applicable law at the Arsenal and surrounding areas, including—

(i) the substance or performance of any remedial investigation and feasibility study or endangerment assessment;

(ii) the contents and conclusions of any remedial investigation and feasibility study or endangerment assessment report; and

(iii) the selection of remedial actions for the Arsenal and surrounding areas.

(2) PROHIBITION AGAINST ANNEXATION.—Notwithstanding section 4(a)(2) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(a)(2)), the Secretary of the Interior shall not permit the annexation of lands within the refuge by any unit of general local government.

(3) PROHIBITION AGAINST THROUGH ROADS.—Public roads may not be constructed through the refuge.

SEC. 2855. DISPOSAL OF CERTAIN REAL PROPERTY AT THE ARSENAL FOR COMMERCIAL, HIGHWAY, OR OTHER PUBLIC USE.

(a) PROPERTY DESIGNATED FOR DISPOSAL.—

(1) IN GENERAL.—The areas of real property at the Arsenal that are described in paragraph (2) are designated for disposal under this section for commercial, highway, or other public use purposes.

(2) PROPERTY.—The areas referred to in paragraph (1) are—

(A) a parcel of real property consisting of approximately 815 acres located at the Arsenal, the approximate legal description of which is section 9, T3S–R67W, the W2W2 of section 4 and the W4E2W2 of section 4, T3S–R67W, and the SW4SW4 of section 33, the W4E2W2 of section 33, and the W2NW4 of section 33, T2S–R67W, except for—

(i) a parcel consisting of approximately 63.04 acres containing a United States Postal Service facility and described in Department of the Army lease No. DACA 45-4-71-6185, which shall be subject to section 2852; and

(ii) the water wells located in buildings 385, 386, and 387 at the Arsenal and associated facilities and easements necessary to operate and maintain the water wells, which shall be subject to section 2852; and

(B) to permit the widening of existing roads, a parcel of real property of not more than 100 feet inside the boundary of the Arsenal on—

(i) the Northwest side of the Arsenal adjacent to Colorado Highway No. 2;

(ii) the Northern side of the Arsenal adjacent to 96th Avenue; and

(iii) the Southern side of the Arsenal adjacent to 56th Avenue.

(b) DISPOSAL.—

(1) DETERMINATION.—Not later than 180 days after the completion of remedial design for the Arsenal, the Secretary of the Army, with the concurrence of the Secretary of the Interior and after providing an opportunity for public comment, shall determine which parcels, if any, within the real property described in subsection (a)(2) shall be retained by the Secretary for cleanup and remediation measures.

(2) DISPOSAL.—After making the determination described in paragraph (1), the Secretary of the Army shall dispose of the remaining parcels in the manner provided for in this section. As cleanup and remediation measures on the retained parcels are completed, the Secretary of the Army shall dispose of the retained parcels in the same manner.

(3) NOTIFICATION.—The Secretary of the Army shall notify the State of Colorado and appropriate units of local government, including the City of Commerce City, Colorado, of the proposed and final determinations made under this subsection.

(c) TRANSFER FOR HIGHWAY PURPOSES.—The Secretary of the Army shall convey those parcels of real property described in subsection (a)(2)(B) and available for disposal under subsection (b) to the State or the appropriate unit of general local government at no cost in order to allow for the improvement of public roads in existence on the date of the enactment of this subtitle or for the provision of alternative means of transportation.

(d) TRANSFER FOR SALE.—The Secretary of the Army shall transfer to the Administrator of General Services those parcels of the area of real property described in subsection (a)(2)(A) and available for disposal under subsection (b). The transferred property shall be sold in advertised sales as surplus property under section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484), except that the provisions of such section relating to reduced-cost or no-cost transfers to other governmental entities shall not apply to the property.

(e) LIMITATIONS.—

(1) PERPETUAL RESTRICTIONS.—The disposal of real property under this section shall be subject to perpetual restrictions that—

(A) are attached to any deed to the property; and

(B) prohibit—

(i) the use of the property for residential or industrial purposes;

(ii) the use of groundwater located under, or surface water located on, the property as a source of potable water;

(iii) hunting and fishing on the property, except for hunting and fishing for nonconsumptive use subject to appropriate restrictions; and

(iv) agricultural use of the property, including all farming activities such as the raising of livestock, crops, or vegetables, but excluding agricultural practices used as part of environmental remediation activities or erosion control.

(2) DISPOSAL IN ACCORDANCE WITH ENVIRONMENTAL LAWS.—The disposal of property under this section shall be subject to the requirements of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(f) USE OF PROCEEDS.—Notwithstanding section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)), any amounts realized by the United States from the sale of property as described in subsection (d) shall be transferred to the Director of the United States Fish and Wildlife Service to be used, to the extent provided for in appropriations Acts, to supplement the funds otherwise available for the construction of a visitor and education center at the refuge.

Subtitle E—Miscellaneous

SEC. 2861. ENERGY SAVINGS AT MILITARY INSTALLATIONS.

Section 2865(b) of title 10, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking out "and" at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

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

"(C) may, subject to paragraph (4), authorize the Secretary of a military department having jurisdiction over a military installation to enter into agreements with gas or electric utilities to design and implement cost-effective demand and conservation incentive programs (including energy management services, facilities alterations, and the installation and maintenance of energy saving devices and technologies by the utilities) to address the requirements and circumstances of the installation."; and

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

"(4)(A) If an agreement under paragraph (3)(C) provides for a utility to advance financing costs for the design or implementation of a program referred to in that paragraph to be repayed by the United States, the cost of such advance may be recovered by the utility under terms no less favorable than those applicable to its most favored customer.

"(B) Subject to the availability of appropriations, repayment of costs advanced under subparagraph (A) shall be made from funds available to a military department for the purchase of utility services.

"(C) An agreement under paragraph (3)(C) shall provide that title to any energy-saving device or technology installed at a military installation pursuant to the agreement vest in the United States. Such title may vest at such time during the term of the agreement, or upon expiration of the agreement, as determined to be in the best interests of the United States.".

SEC. 2862. NAVY MINE COUNTERMEASURE PROGRAM.

(a) EVALUATION.—(1) Not later than December 31, 1992, the Secretary of the Navy shall submit to the congressional defense committees and the Comptroller General of the United States a detailed report on actions and plans of the Navy for consolidation and centralization of control over forces assigned to the mine countermeasure mission. The report shall evaluate all facets of the mine countermeasure mission, including—

(A) proposed location of vessels, helicopters, and explosive ordinance detachment units;

(B) proposed command structure;

(C) proposed training policies; and

(D) proposed vessel procurement policies.

(2) The Comptroller General shall evaluate the report submitted under paragraph (1) and, not later than 30 days after the date of the submittal of the report, submit to the congressional defense committees an evaluation of the report.

(b) EVALUATION OF HOMEPORTS FOR MINE COUNTERMEASURES PROGRAM.—The report under subsection (a)(1) shall include a detailed evaluation and analysis of the use of Ingleside, Texas, as the planned homeport for all mine warfare ships, and a comparison of various alternative homeports for mine warfare ships (including an evaluation of the use of bases on the Atlantic Coast and the Pacific Coast as homeports for such ships).

(c) SUSPENSION OF CERTAIN ACTIVITIES PENDING RECEIPT OF REPORT.—The Secretary of the Navy may not take any action to relocate the functions and personnel of the Mine Warfare Command, the Fleet Mine Warfare School, the Mine Warfare Training Center, or any mine countermeasure helicopter squadron until 90 days after the date of the submittal of the report required under subsection (a)(1).

SEC. 2863. PROHIBITION ON EXPANSION OF CERTAIN MILITARY OPERATIONS AREAS.

In designating expanded military operations areas for training operations of aircraft of the Air National Guard and Air Force Reserve under training airspace modification initiatives implemented after the date of the enactment of this Act, the Secretary of the Air Force shall provide for such military operations areas within the geographic boundaries of areas that have been approved for tactical training on such date.

TITLE XXIX—CALVERTON PINE BARRENS PRESERVATION

SEC. 2901. SHORT TITLE.

This title may be cited as the "Calverton Pine Barrens Preservation Act".

SEC. 2902. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) The Pine Barrens, a forest of pine trees extending across Long Island, New York, protect and replenish the Island's sole-source aquifer and require well-planned protection strategies.

(2) The Department of Defense owns 3,234 acres of the Pine Barrens which serve as a buffer zone surrounding the Naval Weapons Industrial Reserve Plant in Calverton, New York, and provide numerous benefits to the public and wildlife.

(3) The General Services Administration has suggested selling portions of the Pine Barrens described in paragraph (2) and under Federal law, such portions could be sold for commercial development.

(4) The New York State Government and local governments have an interest in preserving the Calverton Pine Barrens in its natural state.

(b) PURPOSE.—The purpose of this title is to ensure that the Calverton Pine Barrens are never commercially developed and that they remain in their natural state in perpetuity.

SEC. 2903. CALVERTON PINE BARRENS PROHIBITED FROM BEING COMMERCIALLY DEVELOPED.

In the event that any part of the Calverton Pine Barrens is declared to be excess to the needs of the Department of the Navy, the Secretary of the Navy shall designate that part a protected tract. The protected tract, or any part thereof, may not be disposed of in any way that would allow commercial development to take place on it. If the protected tract, or any part thereof, is ever conveyed to an entity which uses it for commercial development, ownership of the protected tract shall revert to the United States.

SEC. 2904. DESCRIPTION OF THE CALVERTON PINE BARRENS.

The Calverton Pine Barrens is the land of not less than 3,234 acres located on Department of Defense land surrounding the Naval Weapons Industrial Reserve Plant in Calverton, New York.

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. WEAPONS ACTIVITIES.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out weapons activities necessary for national security programs in the amount of $4,016,909,000, to be allocated as follows:

(1) For research and development, $1,283,900,000.

(2) For weapons testing, $309,500,000.

(3) For production and surveillance, $2,122,600,000.

(4) For program direction, $300,909,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 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) that are necessary for national security programs and are associated with weapons activities for which appropriations are authorized under subsection (a), as follows:

Project GPD-101, general plant projects, various locations, $27,650,000.

Project GPD-121, general plant projects, various locations, $26,350,000.

Project 93-D-122, life safety upgrades, Y-12 Plant, Oak Ridge, Tennessee, $2,700,000.

Project 93-D-123, complex-21, various locations, $26,000,000.

Project 92-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $35,000,000.

Project 92-D-122, health physics/environmental projects, Rocky Flats Plant, Golden, Colorado, $5,300,000.

Project 92-D-123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado, $8,700,000.

Project 92-D-126, replace emergency notification systems, various locations, $10,900,000.

Project 91-D-127, criticality alarm and production annunciation utility replacement, Rocky Flats Plant, Golden, Colorado, $6,300,000.

Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $50,120,000.

Project 90-D-126, environmental, safety, and health enhancements, various locations, $9,200,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $34,400,000.

Project 88-D-122, facilities capability assurance program, various locations, $87,100,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, South Carolina, $4,865,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $3,610,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for capital equipment not related to construction for weapons activities that is necessary for national security programs in the amount of $219,535,000.

(d) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by—

(1) $73,000,000 for reductions in weapons requirements;

(2) $78,200,000 for prior year balances; and

(3) $9,350,000 for departmental administration.

SEC. 3102. NEW PRODUCTION REACTORS.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out new production reactor activities necessary for national security programs in the amount of $184,028,000.

(b) ADJUSTMENTS FOR SAVINGS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by $150,000,000.

SEC. 3103. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $4,108,452,000, to be allocated as follows:

(1) For corrective activities—environment, $2,431,000.

(2) For corrective activities—defense programs, $7,386,000.

(3) For environmental restoration, $1,448,427,000.

(4) For waste management, $2,252,037,000.

(5) For technology development, $330,700,000.

(6) For transportation management, $19,335,000.

(7) For program direction, $48,136,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 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) that are necessary for national security programs and are associated with environmental restoration and waste management activities for which appropriations are authorized under subsection (a), as follows:

Project GPD-171, general plant projects, various locations, $83,285,000.

Project 93-D-172, electrical upgrade, Idaho National Engineering Laboratory, Idaho, $1,000,000.

Project 93-D-174, plant drain waste water treatment upgrades, Y-12 Plant, Oak Ridge, Tennessee, $1,800,000.

Project 93-D-175, industrial waste compaction facility, Y-12 Plant, Oak Ridge, Tennessee, $2,200,000.

Project 93-D-176, Oak Ridge reservation storage facility, K-25, Oak Ridge, Tennessee, $4,000,000.

Project 93-D-177, disposal of K-1515 sanitary water treatment plant waste, K-125, Oak Ridge, Tennessee, $1,500,000.

Project 93-D-178, building 374 liquid waste treatment facility, Rocky Flats Plant, Golden, Colorado, $2,700,000.

Project 93-D-180, environmental monitoring-RCRA groundwater monitoring installation, Richland, Washington, $8,700,000.

Project 93-D-181, radioactive liquid waste line replacement, Richland, Washington, $350,000.

Project 93-D-182, replacement of cross-site transfer system, Richland, Washington, $4,495,000.

Project 93-D-183, multi-tank waste storage facility, Richland, Washington, $10,300,000.

Project 93-D-184, 325 facility compliance/renovation, Richland, Washington, $1,500,000.

Project 93-D-185, landlord program safety compliance, Phase II, Richland, Washington, $849,000.

Project 93-D-186, 200 area unsecured core area fabrication shop, Richland, Washington, $1,000,000.

Project 93-D-187, high-level waste removal from filled waste tanks, Savannah River, South Carolina, $2,000,000.

Project 93-D-188, new sanitary landfill, Savannah River, South Carolina, $2,000,000.

Project 92-D-171, mixed waste receiving and storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,000,000.

Project 92-D-172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $1,900,000.

Project 92-D-173, nitrogen oxide abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $7,000,000.

Project 92-D-177, tank 101-AZ waste retrieval system, Richland, Washington, $3,000,000.

Project 92-D-180, inter-area line upgrade, Savannah River, South Carolina, $3,170,000.

Project 92-D-181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $8,000,000.

Project 92-D-182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $3,700,000.

Project 92-D-183, transportation complex, Idaho National Engineering Laboratory, Idaho, $5,860,000.

Project 92-D-184, Hanford infrastructure underground storage tanks, Richland, Washington, $3,700,000.

Project 92-D-185, road, ground, and lighting safety improvements, 300/1100 areas, Richland, Washington, $6,500,000.

Project 92-D-187, 300 area electrical distribution, conversion, and safety improvements, Phase II, Richland, Washington, $1,724,000.

Project 92-D-188, waste management, ES&H, and compliance activities, various locations, $1,000,000.

Project 92-D-402, sanitary sewer system rehabilitation, Lawrence Livermore National Laboratory, California, $5,500,000.

Project 92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California, $10,100,000.

Project 91-EM-100, environmental and molecular sciences laboratory, Richland, Washington, $28,500,000.

Project 91-D-171, waste receiving and processing facility, module 1, Richland, Washington, $21,800,000.

Project 91-D-172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $57,530,000.

Project 91-D-173, hazardous low-level waste processing tanks, Savannah River, South Carolina, $15,300,000.

Project 91-D-175, 300 area electrical distribution, conversion, and safety improvements, Phase I, Richland, Washington, $981,000.

Project 90-D-103 environmental, safety, and health improvements, various locations, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,315,000.

Project 90-D-174, decontamination laundry facility, Richland, Washington, $7,442,000.

Project 90-D-175, landlord program safety compliance-I, Richland, Washington, $4,753,000.

Project 90-D-176, transuranic (TRU) waste facility, Savannah River, South Carolina, $5,000,000.

Project 90-D-177, RWMC transuranic (TRU) waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $41,700,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $4,200,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $44,950,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $7,000,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $15,795,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $7,900,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $81,471,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $1,904,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $8,800,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, California, $2,755,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $10,330,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $32,600,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for capital equipment not related to construction for environmental restoration and waste management activities that is necessary for national security programs in the amount of $153,198,000, to be allocated as follows:

(1) For corrective activities—defense programs, $1,120,000.

(2) For waste management, $132,749,000.

(3) For technology development, $16,200,000.

(4) For transportation management, $465,000.

(5) For program direction, $2,664,000.

(d) ADJUSTMENTS FOR SAVINGS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by $13,137,000 for program savings and departmental administration.

(e) USE OF FUNDS.—From funds authorized to be appropriated pursuant to subsection (a) to the Department of Energy for environmental restoration and waste management activities, the Secretary of Energy may reimburse the cities of Westminster, Broomfield, Thornton, and Northglen, in the State of Colorado, $40,000,000 for the cost of implementing water management programs. Reimbursements for the water management programs shall not be considered a major Federal action for purposes of 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3104. DEFENSE MATERIALS PRODUCTION AND OTHER DEFENSE PROGRAMS.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out nuclear materials production and other defense programs necessary for national security programs as follows:

(1) For defense materials production, $1,375,475,000.

(2) For verification and control technology, $301,215,000.

(3) For nuclear safeguards and security, $96,837,000.

(4) For security investigations, $58,289,000.

(5) For Office of Security evaluations, $5,150,000.

(6) For nuclear safety, $25,490,000.

(7) For naval reactors development, including enrichment materials, $711,400,000.

(8) For education programs, $22,400,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 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) that are necessary for national security programs and are associated with new nuclear materials production activities and other defense programs for which appropriations are authorized under subsection (a), as follows:

(1) For defense materials production:

Project GPD-146, general plant projects, various locations, $32,260.

Project 93-D-147, domestic water system upgrade, Phase I, Savannah River, South Carolina, $1,000,000.

Project 93-D-148, replace high-level drain lines, Savannah River, South Carolina, $800,000.

Project 93-D-152, environmental modification for production facilities, Savannah River, South Carolina, $2,000,000.

Project 93-D-153, uranium recovery hydrogen fluoride system upgrade, Y-12 Plant, Oak Ridge, Tennessee, $2,400,000.

Project 92-D-140, F and H canyon exhaust upgrades, Savannah River, South Carolina, $12,500,000.

Project 92-D-141, reactor seismic improvement, Savannah River, South Carolina, $5,000,000.

Project 92-D-142, nuclear material processing training center, Savannah River, South Carolina, $11,700,000.

Project 92-D-143, health protection instrument calibration facility, Savannah River, South Carolina, $8,000,000.

Project 92-D-150, operations support facilities, Savannah River, South Carolina, $4,100,000.

Project 92-D-153, engineering support facility, Savannah River, South Carolina, $3,500,000.

Project 90-D-141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho, $1,553,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $39,685,000.

Project 90-D-150, reactor safety assurance, Phases I, II, and III, Savannah River, South Carolina, $4,210,000.

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $13,104,000.

Project 89-D-148, improved reactor confinement system, Savannah River, South Carolina, $4,240,000.

Project 86-D-149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $11,651,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $5,647,000.

Project 85-D-145, fuel production facility, Savannah River Site, South Carolina, $17,000,000.

(2) For verification and control technology:

Project 90-D-186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $10,000,000.

(3) For nuclear safeguards and security:

Project GPD-186, general plant projects, Central Training Academy, Albuquerque, New Mexico, $2,000,000.

(4) For naval reactors development:

Project GPN-101, general plant projects, various locations, $8,500,000.

Project 93-D-200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,200,000.

Project 92-D-200, laboratories facilities upgrades, various locations, $7,500,000.

Project 90-N-102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $13,600,000.

Project 90-N-103, advanced test reactor off-gas treatment system, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 90-N-104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,900,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for capital equipment not related to construction for nuclear materials production and other defense programs that is necessary for national security programs as follows:

(1) For defense materials production, $80,900,000.

(2) For verification and control technology, $16,500,000.

(3) For nuclear safeguards and security, $5,327,000.

(4) For naval reactors development, $60,400,000.

(d) ADJUSTMENTS.—The total amount that may be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by—

(1) $400,000,000 for recovery of overpayment to the Savannah River Pension Fund;

(2) $27,082,000 for anticipated savings;

(3) $70,000,000 for reductions in production requirements; and

(4) $2,341,000 for departmental administration.

SEC. 3105. FUNDING USES AND LIMITATIONS.

(a) INERTIAL CONFINEMENT FUSION.—Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses and plant and capital equipment, $220,300,000 shall be available for the defense inertial confinement fusion program.

(b) FIRE PROTECTION AND COOLING OR REFRIGERATION SYSTEMS.—None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1993 may be obligated for the design, purchase, or installation of any fire protection system or cooling or refrigeration system that utilizes Class I chlorofluorocarbons (as listed under section 602(a) of the Clean Air Act (42 U.S.C. 7671a(a)) unless the Secretary of Energy determines that an alternative system meeting the operational requirements of the Department of Energy is not commercially available.

(c) RECONFIGURATION OF NONNUCLEAR ACTIVITIES.—(1) None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1993 may be obligated for the implementation of the reconfiguration of any nonnuclear activities of the Department of Energy until—

(A) the Secretary of Energy submits a report to the congressional defense committees that—

(i) contains an analysis of the projected costs and benefits of the proposed reconfiguration and any proposed alternatives to such reconfiguration (including the alternative of not reconfiguring such activities); and

(ii) sets forth an analysis of (I) the lifecycle costs and benefits of the reconfiguration, and (II) the discounted cash flow of such proposed alternatives;

(B) the Secretary certifies to the congressional defense committees that a discounted cash flow analysis demonstrates that the closure of each Department of Energy nonnuclear defense facility or activity identified for closure and each transfer of a nonnuclear activity is cost effective;

(C) the Secretary certifies to the congressional defense committees that the reconfiguration of nonnuclear activities of the Department of Energy will not increase technological, environmental, safety, or health risks relating to the operation of the nuclear weapons facilities of the Department; and

(D) 60 days have elapsed after the later of—

(i) the date of the submittal of the report under subparagraph (A); and

(ii) the date of the certification under subparagraph (B).

(2) This subsection may not be construed to prohibit the obligation of funds for the purpose of conducting any study or analysis that the Secretary determines necessary for assessing the cost-effectiveness, practicability, or feasibility of reconfiguring the activities of the Department of Energy to nonnuclear purposes.

(d) NEW PRODUCTION REACTORS.—None of the funds authorized to be appropriated by section 3102 shall be used to close out the new production reactor program until 30 days after the Secretary of Energy has submitted a plan to the congressional defense committees to continue work beyond the termination phase of the two existing new production reactor design teams to address key technical risks and initiation of detailed design of two electric power producing reactor concepts, including an advanced light water reactor and the modular high temperature gas reactor to undertake the added mission of plutonium disposal. In addition, the plan shall address key technical risks of and fundamental technology for a linear accelerator for plutonium disposal and nuclear waste transmutation.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may not be taken until—

(A) the Secretary of Energy has submitted to the congressional defense committees 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 such proposed action; 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 calendar days to a day certain.

(b) LIMITATION ON AMOUNT OBLIGATED.—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.

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 provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(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 $1,200,000, the Secretary shall immediately furnish a complete 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, which is authorized by sections 3101, 3102, 3103, and 3104, 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 actions 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 calendar days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

Funds appropriated pursuant to this title may be transferred to other agencies of Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the ap-

propriations of the agency to which the funds are transferred.

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary of Energy may carry out advance planning and construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In the case of any project in which the total estimated cost for advance planning and design exceeds $300,000, the Secretary shall notify the congressional defense committees in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—In addition to funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, 3103, and 3104, the Secretary of Energy may use any other funds available to the Department of Energy to perform planning, design, and construction activities for any Department of Energy defense activity construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, meet the needs of national defense, or 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 such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b) does not apply to emergency planning, design, and construction activities conducted under this section.

(d) REPORT.—The Secretary of Energy shall promptly report to the congressional defense committees any exercise of authority 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.

When so specified in an appropriation Act, amounts appropriated for operating expenses, plant, or capital equipment may remain available until expended.

Subtitle C—Miscellaneous

SEC. 3131. USE OF FUNDS FOR PAYMENT OF PENALTY ASSESSED AGAINST FERNALD ENVIRONMENTAL MANAGEMENT PROJECT.

The Secretary of Energy may pay to the Environmental Protection Agency, from funds appropriated to the Department of Energy for environmental restoration and waste management activities pursuant to section 3103, a stipulated civil penalty in the amount of $100,000 assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against the Fernald Environmental Management Project.

SEC. 3132. PROHIBITION ON ENTRY INTO CERTAIN CONTRACTS FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Notwithstanding any other provision of law, the Secretary of Energy may not enter into a contract or other agreement for the performance of environmental restoration or waste management activities with any person who has been convicted of, has pleaded guilty to, or has otherwise been determined by a court of competent jurisdiction to have committed a criminal violation in connection with activities at a Department of Energy facility of any of the following laws:

(1) The Clean Air Act (42 U.S.C. 7401 et seq.).

(2) The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(3) The Safe Drinking Water Act (42 U.S.C. 300f et seq.).

SEC. 3133. REQUIREMENT OF ANNUAL AUTHORIZATION OF APPROPRIATIONS FOR FUNDS FOR CERTAIN DEPARTMENT OF ENERGY NATIONAL SECURITY ACTIVITIES.

(a) REQUIREMENT.—Chapter 9 of the Atomic Energy Act of 1954 (42 U.S.C. 2121 et seq.) is amended by adding at the end the following new section:

"SEC. 93. ANNUAL AUTHORIZATION OF APPROPRIATIONS.—

"(a) No funds may be appropriated for any fiscal year to or for the use of the Department of Energy for national security programs of the Department, and no funds appropriated to or for the use of the Department of Energy for such programs may be obligated or expended for—

"(1) procurement of goods or services,

"(2) research, development, test or evaluation, or procurement or production related thereto,

"(3) nuclear weapons testing,

"(4) construction,

"(5) operation and maintenance of any defense nuclear facility, or

"(6) operation of the Department of Energy central office,

unless funds therefor have been specifically authorized by law.

"(b) In this section, the term 'defense nuclear facility' means—

"(1) a production or utilization facility under the control or jurisdiction of the Secretary of Energy that is operated for national security purposes, other than a facility that does not conduct atomic energy defense activities;

"(2) a nuclear waste storage or disposal facility under the control or jurisdiction of the Secretary; and

"(3) a nuclear weapons research facility under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories).".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such Act is amended by inserting after the item relating to section 92 the following new item:

"Sec. 93. Annual authorization of appropriations.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply to fiscal years after fiscal year 1992.

SEC. 3134. FUNDS AVAILABLE FOR OVERSIGHT.

Of the funds available to the Secretary of Energy for fiscal year 1993 for program management, including travel, $150,000 shall be available only for the purposes set forth in section 1108(g) of title 31, United States Code.

SEC. 3135. DEPARTMENT OF ENERGY CITIZEN ADVISORY GROUPS.

(a) ESTABLISHMENT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Energy shall establish a citizen advisory group for each Department of Energy defense nuclear facility.

(b) MEMBERSHIP.—Each advisory group shall be composed of the following members:

(1) Five or more members appointed by the Secretary of Energy, of whom—

(A) at least one shall be an individual who lives in a community near the facility for which the advisory group is established;

(B) at least one shall be a member of an affected Indian tribe;

(C) at least one shall be a representative of a nationally recognized environmental organization;

(D) at least one shall be a representative of an environmental organization from the area in which the facility is located; and

(E) at least one shall be an individual having technical expertise in environmental restoration, waste management, or health care matters related to such restoration or waste management.

(2) Two members appointed by the Governor of the State in which the facility is located.

(3) Two members appointed by the Governor of any other State which is located within 50 miles of the facility.

(c) DUTIES.—Each advisory group shall, with respect to the Department of Energy defense nuclear facility for which it is established—

(1) review and evaluate the performance by the Department of Energy of environmental restoration, waste management, and health-related activities at the facility, including the adherence of the Department with any milestones or deadlines with respect to such activities that were agreed to by the Secretary of Energy in interagency agreements entered into with other Federal agencies;

(2) review and evaluate the adequacy of any oversight activities carried out with respect to the facility by the Environmental Protection Agency, the environmental agency of the State in which the facility is located, and other appropriate Federal and State agencies, including the adequacy of—

(A) any actions taken by such agencies to ensure the adherence of the Department of Energy with any milestones or deadlines that were agreed to by the Secretary in interagency agreements entered into with other Federal agencies;

(B) any actions taken by appropriate Federal and State agencies to ensure compliance by the Department of Energy with Federal or State laws requiring the performance of relevant health-related activities at the facility; and

(C) any existing or on-going health-related activities undertaken by the Department of Energy and other Federal and State agencies with respect to the facility;

(3) provide, at least once annually, to the Secretary of Energy, the Administrator of the Environmental Protection Agency, and the heads of other appropriate Federal and State agencies—

(A) an evaluation of the policy and technical considerations of any significant decisions made by such agencies with respect to

environmental restoration, waste management, and health-related activities at the facility, including decisions on the selection of waste management treatment technology, the selection of cleanup remedies for environmental restoration, and the design and conduct of health assessments; and

(B) recommendations on policy and technical matters with respect to the facility based upon the evaluation conducted under subparagraph (A);

(4) provide to the Secretary of Energy, the Administrator of the Environmental Protection Agency, and the Governor of the State in which the facility is located the views of persons in communities and regions located near, or effected by, the facility on the environmental restoration, waste management, and health activities conducted at the facility;

(5) submit annually to the Governor of the State in which the facility is located and to Congress a report on the activities of the advisory group during the preceding year, including the findings, assessments, and conclusions of the advisory group, and any recommendations of the advisory group on policy or technical matters based upon such findings, assessments, and conclusions; and

(6) perform any other activity the advisory group considers necessary to carry out its duties under this section.

(d) TECHNICAL ASSISTANCE.—The Secretary of Energy shall provide funding to each advisory group to permit the group to hire the technical, advisory, and support staff that the group determines necessary to carry out its duties under this section. The amount of such funding in any year may not exceed $250,000 per group.

(e) FUNDING.—Of the funds authorized to be appropriated in fiscal year 1993 for the Department of Energy for national security programs, $5,000,000 may be used to carry out this section.

(f) DEFINITION.—In this section, the term "Department of Energy defense nuclear facility" means—

(1) a production or utilization facility under the control or jurisdiction of the Secretary of Energy that is operated for national security purposes, other than a facility that does not conduct atomic energy defense activities;

(2) a nuclear waste storage or disposal facility under the control or jurisdiction of the Secretary; and

(3) a nuclear weapons research facility under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories).

SEC. 3136. NUCLEAR WEAPONS COUNCIL MEMBERSHIP.

Section 179(a)(1) title 10, United States Code, is amended to read as follows:

"(1) The Under Secretary of Defense for Acquisition.".

SEC. 3137. REVISED OFFSET FOR PAYMENTS FOR INJURIES BELIEVED TO ARISE OUT OF ATOMIC WEAPONS TESTING PROGRAM.

(a) REVISED OFFSET.—Section 6(c)(2)(B) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended by striking out the following: "The amount of the offset under this subparagraph with respect to payments described in clauses (i) and (ii) shall be the actuarial present value of such payments.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to claims filed pursuant to section 4(a) of the Radiation Exposure Compensation Act before, on, or after the date of the enactment of this Act.

SEC. 3138. REPORTS ON THE DEVELOPMENT OF NEW PRODUCTION REACTOR CAPACITY.

(a) REPORT BY THE SECRETARY OF ENERGY.—(1) The Secretary of Energy shall annually submit to the congressional defense committees a report on the new production reactor program of the Department of Energy.

(2) The annual report shall include the following:

(A) An estimate of the date by which new production reactor capacity will be necessary in order to maintain the active and reserve stockpile of nuclear weapons of the United States.

(B) An estimate of the date on which construction of such capacity should begin in order to maintain the active and reserve stockpile.

(C) An assessment of the technical adequacy of the methods available for the production of tritium, including an assessment of the risk that each method may fail to produce tritium on a reliable basis within the period necessary for meeting the requirements of the United States.

(D) An assessment of the capability of the potential industrial suppliers of new production reactor capacity to design and construct such capacity by the date estimated pursuant to subparagraph (A).

(3)(A) The Secretary shall submit the annual report in 1993 and each year thereafter until the construction of the new production reactor is completed. The Secretary shall submit the report not later than 60 days after the date on which the President submits the budget to Congress under section 1105 of title 31, United States Code.

(b) PROGRAM OFFICE.—The Secretary shall maintain a program office for the new production reactor program until the new production reactor capacity becomes operational.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the technology chosen for new production reactor capacity shall be the technology that has the highest probability of successfully sustaining operation, the lowest risk of operational failure, and the lowest cost of construction and operation (including any revenues accruing to the United States from such operation).

SEC. 3139. TECHNOLOGY TRANSFER.

(a) EXPEDITED REVIEW OF AGREEMENTS WITH SMALL BUSINESSES.—Section 12(c)(5) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(5)) is amended—

(1) in subparagraph (C)(i), by striking out "Any agency" and inserting in lieu thereof "Except as provided in subparagraph (D), any agency"; and

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

"(D)(i) Any non-Federal entity that operates a laboratory pursuant to a contract with a Federal agency shall submit to the head of the agency any cooperative research and development agreement that the entity proposes to enter into with a small business firm and the joint work statement required with respect to that agreement.

"(ii) A Federal agency that receives a proposed agreement and joint work statement under clause (i) shall review and approve, request specific modifications to, or disapprove the proposed agreement and joint work statement within 30 days after such submission. The agreement and joint work statement shall provide a 30-day period within which such action must be taken beginning on the date of the submittal of the agreement and joint work statement to the head of the agency.

"(iii) In any case in which an agency which has contracted with an entity referred to in clause (i) disapproves or requests the modification of a cooperative research and development agreement or joint work statement submitted under that clause, the agency shall transmit a written explanation of such disapproval or modification to the head of the laboratory concerned.".

(b) TECHNOLOGY TRANSFER TO SMALL BUSINESSES.—(1) The Secretary of Energy shall establish a program to facilitate and encourage the transfer of technology to small businesses and shall issue guidelines relating to the program not later than May 1, 1993.

(2) For the purposes of this subsection, the term "small business" means a business concern that meets the applicable size standards prescribed pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

(c) PROVISION OF INFORMATION ON COOPERATIVE RESEARCH.—The Secretary of Energy and the Secretary of Defense shall provide appropriate federally funded technology transfer centers with information on cooperative research and development agreements or other arrangements entered into with respect to laboratories of the Department of Energy and other departments and agencies of the Federal Government. The Secretaries shall provide such information within 60 days after the date on which such agreements are received and within 60 days after such agreements become effective.

(d) FUNDING.—Funds authorized to be appropriated to the Department of Energy and made available for laboratory directed research and development shall be available for cooperative research and development agreements or other arrangements applicable to laboratories of the Department of Energy and other departments and agencies of the Federal Government.

SEC. 3140. EXPANSION OF AUTHORITY TO LOAN PERSONNEL AND FACILITIES.

(a) AUTHORITY TO LOAN PERSONNEL.—Subsection (a)(1) of section 1434 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2074) is amended—

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

(2) in the first sentence, by striking out "or construction management at the Hanford Reservation, Washington," and all that follows through the period, and inserting in lieu thereof the following: "or construction management—

"(i) at the Hanford Reservation, Washington, to loan personnel in accordance with this section to the community development organization known as the Tri City Industrial Development Council serving Benton and Franklin Counties, Washington; and

"(ii) at the Idaho National Engineering Laboratory, Idaho, to loan personnel in accordance with this section to any community-based organization."; and

(3) by striking out the second sentence and inserting in lieu thereof the following:

"(B) Any loan under subparagraph (A) shall be for the purpose of assisting in the diversification of the local economy by reducing reliance by local communities on national security programs at the Hanford Reservation and the Idaho National Engineering Laboratory.".

(b) FUNDING.—Subsection (a)(3) of such section is amended by inserting after the first sentence the following: "In each of fiscal years 1993 and 1994, the Secretary of Energy

may not obligate or expend for loans of personnel under this section more than $250,000 with respect to the Hanford Reservation and more than $250,000 with respect to the Idaho National Engineering Laboratory.".

(c) AUTHORITY TO LOAN FACILITIES.—Subsection (b) of such section is amended by inserting "or the Idaho National Engineering Laboratory, Idaho," after "Hanford Reservation, Washington,".

(d) DURATION OF PROGRAM.—Subsection (c) of such section is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1994".

SEC. 3141. STUDY OF CONVERSION OF NEVADA TEST SITE FOR USE FOR SOLAR ENERGY PRODUCTION PURPOSES.

(a) REQUIREMENT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Energy, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Director of the Office of Technology Assessment, shall carry out and submit to Congress a study on the conversion, development, and utilization of the Nevada Test Site, Nevada, or one or more portions thereof, as a commercial facility for the development of solar energy research and production technologies.

(b) STUDY ELEMENTS.—In carrying out the study under subsection (a), the Secretary of Energy shall consider the following:

(1) The potential of the Nevada Test Site for solar energy production from a variety of solar energy production technologies, including technologies for the production of thermal energy and photovoltaic energy.

(2) The costs and benefits of the development of such energy production technologies, including the cost per kilowatt hour of energy production from each such technology and the potential market for the sale or use of energy produced by such technologies.

(3) The effect of the development of the Nevada Test Site for solar energy production on the economy and employment rates in the region in which the Nevada Test Site is located.

(4) The effectiveness of plans for retraining current employees at the Nevada Test Site for employment in the development, utilization, and marketing of solar energy production technologies.

(5) The effect of the development of various solar energy production technologies at the Nevada Test Site on the manufacturing and export economy of the United States.

(6) The extent to which the development of solar energy production technologies at the Nevada Test Site is compatible with current and proposed alternative uses of the Site, including the compatibility of such development with environmental restoration and other clear-up activities at the Site and with continuing use of the Site for limited nuclear testing.

Subtitle D—Defense Nuclear Work Force Restructuring

SEC. 3151. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORK FORCE RESTRUCTURING PLAN.

(a) IN GENERAL.—(1) Subject to subsections (b) through (e) and not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall develop, issue, and commence implementation of a plan for the restructuring of the employee work force at Department of Energy defense nuclear facilities described in paragraph (2).

(2) The plan shall apply to—

(A) each Department of Energy defense nuclear facility the primary mission of which changes from weapons production and related activities to environmental restoration and waste management; and

(B) each Department of Energy defense nuclear facility that is scheduled for closure.

(C) any Department of Energy defense nuclear facility, including the Nevada Test Site, that will experience a reduction of 10 percent or more in the number of Department of Energy employees employed at the facility in any 12-month period.

(b) PLAN REQUIREMENTS.—In developing and implementing the plan referred to in subsection (a), the Secretary shall provide—

(1) that any changes in the functions or missions of facilities referred to in subsection (a)(2)(A) and any closures of facilities referred to in subsection (a)(2)(B) be carried out by means that minimize the economic effects of such changes or closures on Department of Energy employees at such facilities, including the provision of notice of such changes or closures not later than 120 days before the commencement of such changes or closures to such employees and the communities in which such facilities are located and the use of retraining, early retirement, attrition, and other similar means to minimize the number of terminations of employment that result from such changes or closures;

(2) that the employees whose employment in positions at such facilities will be terminated as a result of the restructuring plan receive first preference in any hiring by the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1682)) after the issuance of the plan;

(3) that such employees be retrained as necessary and in a timely fashion for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy;

(4) that the Department of Energy provide relocation assistance to such employees who are transferred to other Department of Energy facilities as a result of the plan;

(5) that, in the case of any employee who expresses in writing an intent to seek employment outside the Department of Energy, the Department of Energy provide appropriate employment retraining, education, and reemployment assistance (including employment placement assistance) to such employee before the terminations of the employee's employment with the Department of Energy; and

(6) that the Department of Energy provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with—

(A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (division D of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2391 note)); and

(C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

(c) PLAN UPDATES.—Not later than 1 year after issuing the plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall—

(1) satisfy the requirements set forth in subsection (b), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

(d) CONSULTATION.—(1) In developing the plan referred to in subsection (a) and any updates of the plan under subsection (c), the Secretary shall consult with the Secretary of Labor, labor organizations or other appropriate representatives of local and national collective-bargaining units of Department of Energy employees, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(e) SUBMITTAL TO CONGRESS.—The Secretary shall submit the plan referred to in subsection (a) to Congress.

SEC. 3152. PROGRAM TO MONITOR DEPARTMENT OF ENERGY WORKERS EXPOSED TO HAZARDOUS AND RADIOACTIVE SUBSTANCES.

(a) IN GENERAL.—The Secretary of Energy shall establish and carry out a program for the identification and on-going medical evaluation of current and former Department of Energy employees who are subject to significant health risks as a result of the exposure of such employees to hazardous or radioactive substances during such employment.

(b) IMPLEMENTATION OF PROGRAM.—(1) The Secretary shall, with the concurrence of the Secretary of Health and Human Services, issue regulations to implement the program. Such regulations shall permit the Secretary of Energy, to the extent practicable, to—

(A) identify the hazardous substances and radioactive substances to which current and former Department of Energy employees may have been exposed as a result of such employment;

(B) determine the levels of exposure to such substances that present such employees with significant health risks;

(C) determine the appropriate number, scope, and frequency of medical evaluations and laboratory tests to be provided to such employees to permit the Secretary to evaluate fully the extent, nature, and medical consequences of such exposure;

(D) identify employees referred to in subparagraph (A) who received a level of exposure referred to in subparagraph (B); and

(E) make available the evaluations and tests referred to in subparagraph (C) to the employees referred to in subparagraph (D).

(2)(A) In determining the most appropriate means of carrying out the activities referred to in subparagraphs (A) through (E) of paragraph (1), the Secretary shall consult with the Secretary of Health and Human Services under the agreement referred to in subsection (c).

(B) The Secretary of Health and Human Services shall carry out the responsibilities of that Secretary under this subparagraph with the assistance of the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health.

(3) In prescribing the guidelines referred to in paragraph (1), the Secretary of Energy shall consult with representatives of the following entities:

(A) The American College of Occupational and Environmental Medicine.

(B) The National Academy of Sciences.

(C) The National Council on Radiation Protection.

(D) Any labor organization or other collective bargaining agent authorized to act on the behalf of employees of a Department of Energy defense nuclear facility.

(4) The Secretary shall notify each employee identified under paragraph (1)(D) and provided with any medical examination or test under paragraph (1)(E) of the identification and the results of any such examination or test. Each notification under this paragraph shall be provided in a form that is readily understandable by the employee.

(5) The Secretary shall collect and assemble information relating to the examinations and tests carried out under paragraph (1)(E).

(6) The Secretary shall commence carrying out the program described in this subsection not later than 1 year after the date of the enactment of this Act.

(c) AGREEMENT WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Energy shall enter into an agreement with the Secretary of Health and Human Services relating to the establishment of the program required under this section.

SEC. 3153. DEFINITIONS.

In this subtitle:

(1) The term "Department of Energy defense nuclear facility" means—

(A) a production facility or utilization facility (as that term is defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary of Energy and is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities;

(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(C) a nuclear weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(D) any facility described in subparagraphs (A) through (C) that—

(i) is no longer in operation;

(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(iii) was operated for national security purposes.

(2) The term "Department of Energy employee" means any employee of the Department of Energy employed at a Department of Energy defense nuclear facility, including any employee of a management and operations contractor (or a subcontractor of such contractor) of the Department of Energy employed at such a facility.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1993, $13,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Changes in Stockpile Amounts

SEC. 3301. AUTHORIZATION OF DISPOSALS.

(a) AUTHORITY.—The National Defense Stockpile Manager may dispose of materials in the National Defense Stockpile in accordance with this section. Such disposal may be made only as specified in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal under subsection (a) shall be made from quantities of materials in the National Defense Stockpile previously authorized for disposal by law or, in the case of materials in the National Defense Stockpile that have been determined to be excess to the current requirements of the stockpile, in accordance with the following table:

Materials	Unit	Quantity
Aluminum	ST	62,800
Aluminum Oxide, Abrasive	ST	51,022
Aluminum Oxide, Fused Crude	ST	249,867
Analgesics	AMA LB	68,703
Asbestos, Chrysotile	ST	3,004
Bauxite, Metallurgical Jamaican	LDT	12,457,740
Bauxite, Metallurgical Surinam	LDT	5,299,597
Bauxite, Refractory	LCT	207,067
Beryl Ore	ST	17,729
Beryllium Copper Master Alloy	ST	7,387
Bismuth	LB	1,825,955
Cadmium	LB	6,328,570
Chromite Chemical Grade	SDT	208,414
Chromite Metallurgical Grade	SDT	1,511,356
Chromium Ferro	ST	576,526
Cobalt	LB CO	12,741,489
Copper	ST	29,651
Diamond Industrial Bort	KT	4,001,344
Diamond Dies Small	PC	25,473
Diamond Stones	KT	2,422,075
Fluorspar Acid Grade	SDT	892,856
Fluorspar Metallurgical Grade	SDT	410,822
Germanium	KG	715
Graphite Natural Malagasy	ST	10,573
Graphite Natural Other	ST	2,803
Iodine	LB	5,835,022
Jewel Bearings	PC	51,778,337
Lead	ST	601,053
Manganese Battery Grade Natural	SDT	68,226
Manganese Battery Grade Synthetic	SDT	3,011
Manganese Ferro	ST	938,285
Manganese Metallurgical Grade	SDT	1,627,425
Manganese Metal	ST	14,172
Mercury	FL	128,026
Mica Phlogopite Splittings	LB	963,251
Nickel	ST	37,214
Platinum—Iridium	TR OZ	5,000
Platinum—Palladium	TR OZ	250,000
Platinum—Platinum	TR OZ	50,000
Quartz Crystals, Natural	LB	400,000
Rutile	SDT	39,186
Sapphire & Ruby	KT	16,305,502
Sebacic Acid	LB	5,009,697
Silicon Carbide	ST	28,774
Silver	TR OZ	83,951,492
Tin	MT	141,278
Vanadium	ST	721
Vegetable Tannin, Chestnut	LT	4,976
Vegetable Tannin, Quebracho	LT	28,832
Vegetable Tannin, Wattle	LT	14,998
Zinc	ST	378,768

(c) GENERAL LIMITATION.—The National Defense Stockpile Manager may not dispose of any materials under the authority of this section during fiscal year 1993 until the manager has submitted to Congress a revised annual materials plan for that fiscal year that complies with the requirements of section 10(a)(3) of the Strategic and Critical Materials Stock Piling Act, as amended by section 3315(3).

(d) SPECIAL LIMITATION: SILVER.—(1) The disposal of silver under subsection (a) may only occur in the form of coins or, subject to paragraph (2), as material furnished by the Federal Government to a contractor for the use of the contractor in the performance of a Federal Government contract.

(2) A contractor receiving silver as Government furnished material shall pay the Federal Government the amount equal to the fair market value of the silver, as determined by the National Defense Stockpile Manager. The amount paid shall be credited to the National Defense Stockpile Transaction Fund.

(e) SPECIAL LIMITATION: CHROMITE AND MANGANESE.—The disposal of chromite ores and manganese ores under subsection (a) may be made only for consumption within the United States and the territories and possessions of the United States.

(f) SPECIAL LIMITATION: CHROMIUM FERRO AND MANGANESE FERRO.—The disposal of chromium ferro and manganese ferro under subsection (a) may not commence before October 1, 1993.

(g) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is in addition to any other disposal authority provided by law.

SEC. 3302. AUTHORIZATION OF ACQUISITIONS.

(a) ACQUISITIONS.—During fiscal year 1993, the National Defense Stockpile Manager may obligate $100,000,000 out of funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations Acts) 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)).

(b) RESEARCH AND DEVELOPMENT PROGRAMS.—Of the amount specified in subsection (a), $25,000,000 may be obligated for materials development and research under subparagraph (G) of such section.

SEC. 3303. CONFORMING AMENDMENTS.

Part A of title XXXIII of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1583) is amended—

(1) in subsections (a) and (d) of section 3301 (50 U.S.C. 98d note) and subsection (a) of section 3302, by striking out "fiscal years 1992 and 1993" and inserting in lieu thereof "fiscal year 1992"; and

(2) in subsections (a) and (d) of section 3301 and subsection (b) of section 3302, by striking out "each of such fiscal years" and inserting in lieu thereof "such fiscal year".

Subtitle B—Programmatic Changes

SEC. 3311. QUANTITY TO BE STOCKPILED.

(a) APPLICABLE STANDARD.—Section 2(c)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98a(c)(2)) is amended to read as follows:

"(2) The quantities of materials to be stockpiled under this Act shall be sufficient to meet the needs of the United States during a period of national emergency that requires a significant level of mobilization of the economy of the United States under the planning assumptions used by the Secretary of Defense under section 14(b) of this Act.".

(b) APPLICABLE ASSUMPTIONS.—Section 14(b) of such Act (50 U.S.C. 98h-5(b)) is amended in the first sentence by striking out ", based upon" and all that follows through "three years".

SEC. 3312. PROCEDURES FOR CHANGING OBJECTIVES FOR STOCKPILE QUANTITIES ESTABLISHED AS OF THE END OF FISCAL YEAR 1987.

Section 3(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(c)) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following new paragraph (2):

"(2) Subject to paragraph (3), the President shall notify Congress in writing of any change proposed to be made in a quantity referred to in paragraph (1). The President may make the change effective on or after the 30th day following the date of the notification. The President shall include a full explanation and justification for the change in the next annual materials plan submitted to

Congress under section 11(b) after the date of the notification.".

SEC. 3313. AUTHORITY FOR STOCKPILE OPERATIONS.

(a) WAITING PERIOD FOR PROPOSED SIGNIFICANT STOCKPILE TRANSACTION CHANGES.—Subsection (a)(2) of section 5 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d) is amended by striking out the second sentence.

(b) ELIMINATION OF DISPOSAL RESTRICTION RELATING TO NATIONAL DEFENSE STOCKPILE TRANSACTION FUND BALANCE.—Subsection (b) of such section is amended—

(1) by striking out "(1)"; and

(2) by striking out "law," and all that follows and inserting in lieu thereof "law.".

SEC. 3314. AUTHORIZED PURPOSES FOR EXPENDITURES FROM THE NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) MAINTENANCE AND DISPOSAL OF MATERIALS.—Subparagraph (A) of section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)) is amended—

(1) by inserting ", maintenance, and disposal" after "acquisition"; and

(2) by striking out "section 6(a)(1)" and inserting in lieu thereof "section 6(a)".

(b) EXPENSES INCIDENTAL TO ANY STOCKPILE TRANSACTION.—Subparagraph (B) of such section is amended by striking out "such acquisition" and inserting in lieu thereof "any stockpile transaction".

SEC. 3315. MARKET IMPACT COMMITTEE.

Section 10 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-1) is amended—

(1) by redesignating subsection (a) as subsection (b) and, in that subsection (as so redesignated), by inserting "(1)" after "(b)";

(2) by redesignating subsection (b) as paragraph (2) and, in that paragraph (as so redesignated), by striking out "subsection (a)" and inserting in lieu thereof "paragraph (1)"; and

(3) by inserting after "SEC. 10." the following:

"(a)(1) The President shall appoint a Market Impact Committee composed of representatives from the Department of Agriculture, the Department of Commerce, the Department of Defense, the Department of Energy, the Department of the Interior, the Department of State, the Department of the Treasury, and the Federal Emergency Management Agency, and such other persons as the President considers appropriate. The representatives from the Department of Commerce and the Department of State shall be Cochairmen of the Committee.

"(2) The Committee shall advise the manager of the stockpile on the projected domestic and foreign economic effects of all acquisitions and disposals of materials from the stockpile that are proposed to be included in the annual materials plan submitted to Congress under section 11(b), or in any revision of such plan, and shall submit to the manager the Committee's recommendations regarding those acquisitions and disposals.

"(3) The annual materials plan or the revision of such plan, as the case may be, shall contain the views of the Committee on such effects, the recommendations submitted by the Committee, and, for each acquisition or disposal provided for in the plan or revision that is inconsistent with a recommendation of the Committee, a justification for the acquisition or disposal.".

TITLE XXXIV—CIVIL DEFENSE

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated $152,565,000 for fiscal year 1993 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.).

TITLE XXXV—PANAMA CANAL COMMISSION

SEC. 3501. SHORT TITLE.

This title may be cited as the "Panama Canal Commission Authorization Act for Fiscal Year 1993".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), for fiscal year 1993 the Panama Canal Commission is authorized to make such expenditures and, without regard to fiscal year limitations, to enter into such contracts and commitments, within the limits of funds and borrowing authority available to it in accordance with law, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, and improvement of the Panama Canal for fiscal year 1993. Expenditures in accordance with this title may be made from funds in the Panama Canal Revolving Fund.

(b) LIMITATION ON RECEPTION AND REPRESENTATION EXPENSES.—For fiscal year 1993, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $51,156,000 for administrative expenses, of which not more than—

(1) $12,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) $6,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) $34,000 may be used for official reception and representation expenses of the Administrator of the Commission.

(c) PURCHASE OF PASSENGER VEHICLES.—Funds available to the Panama Canal Commission may be used for the purchase of passenger motor vehicles (including large heavy-duty vehicles) to be used to transport Commission personnel across the Isthmus of Panama. A passenger motor vehicle may be purchased with such funds only as necessary to replace another passenger motor vehicle of the Commission. No passenger motor vehicle may be purchased with such funds for a price in excess of $18,000.

SEC. 3503. HEALTH CARE.

Section 1321(e)(1) of the Panama Canal Act of 1979 (22 U.S.C. 3731) is amended by inserting after "health care services" the following: "provided by medical facilities licensed and approved by the Republic of Panama (and not operated by the United States)".

SEC. 3504. VESSEL TONNAGE MEASUREMENT.

Section 1602(a) of the Panama Canal Act of 1979 (22 U.S.C. 3792) is amended in the first sentence by inserting ", or its equivalent," after "net vessel tons of one hundred cubic feet each of actual earning capacity".

SEC. 3505. GENERAL PROVISIONS.

Expenditures authorized under this title may be made only in accordance with the Panama Canal Treaties of 1977 and laws of the United States implementing those treaties.

NATIONAL DEFENSE AUTHORIZATION ACT

The text of the original bill (S. 3138) to authorize appropriations for fiscal year 1993 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, as passed by the Senate on September 18, 1992, is as follows:

S. 3138

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 "Military Personnel Authorization Act for Fiscal Year 1993".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 598,900, of whom not more than 88,855 shall be commissioned officers.

(2) The Navy, 535,800, of whom not more than 67,455 shall be commissioned officers.

(3) The Marine Corps, 181,900, of whom not more than 18,440 shall be commissioned officers.

(4) The Air Force, 449,900, of whom not more than 84,970 shall be commissioned officers.

SEC. 402. WAIVER AND TRANSFER AUTHORITY.

(a) WAIVER AUTHORITY.—The Secretary of Defense may waive an end strength prescribed in section 401 for any of the Armed Forces to the extent that the Secretary considers the waiver necessary to prevent personnel imbalances that would impair the long term combat readiness of that armed force.

(b) TRANSFER AUTHORITY.—(1) Upon determination by the Secretary of Defense that such action is necessary in order to prevent involuntary separations from the Armed Forces that would otherwise be necessary solely for the purpose of reducing the size of the Armed Forces below the authorized end strengths provided in section 401, the Secretary may transfer amounts appropriated to the Department of Defense pursuant to authorizations of appropriations in this division for fiscal year 1993. Amounts so transferred shall be merged with and be available for the same purposes as the appropriations to which transferred.

(2) A transfer made from one appropriation account to another under the authority of this section shall be deemed to increase the amount authorized for the appropriation account to which transferred by the amount transferred.

(3) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

SEC. 403. AUTHORITY TO ADJUST END STRENGTHS.

Subsection (c) of section 115 of title 10, United States Code, is amended to read as follows:

"(c)(1) Subject to paragraphs (1) and (2), the strength of an armed force at the end of a fiscal year may vary from the end strength authorized for that armed force pursuant to paragraph (1) or (2) of subsection (a) for such fiscal year to the extent that the Secretary of Defense determines that the variance is in the national interest.

"(2) The strength of the active-duty personnel of an armed force at the end of a fis-

cal year shall be within 0.5 percent below and 0.5 percent above the end strength authorized for that armed force pursuant to subsection (a)(1) for that fiscal year.

"(3) The strength of the Selected Reserve personnel of a reserve component at the end of a fiscal year shall be within 2 percent below or 2 percent above the end strength authorized for the Selected Reserve of that reserve component pursuant to subsection (a)(2) for that fiscal year.".

SEC. 404. REPEAL OF REQUIREMENTS FOR MINIMUM NUMBERS OF MEDICAL PERSONNEL.

The following provisions of law that limit reductions in the number of medical personnel of the Department of Defense are repealed:

(1) Section 711 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 115 note).

(2) Section 718(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 115 note).

SEC. 405. LIMITED EXCLUSION OF JOINT SERVICE REQUIREMENTS FROM A LIMITATION ON THE STRENGTHS FOR GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.

(a) EXCLUSION.—Section 526 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) LIMITED EXCLUSION FOR JOINT DUTY REQUIREMENTS.—(1) The Chairman of the Joint Chiefs of Staff may designate up to 8 general officer and flag officer positions within joint duty requirements for exclusion from the limitations in subsection (a) that are applicable on and after October 1, 1995. General officers and flag officers in positions so designated may not be counted for the purposes of such limitations.

"(2) This subsection shall cease to be effective on October 1, 1998."

(b) TECHNICAL AMENDMENT.—Subsection (b) of such section is amended by striking out "(b)" and inserting in lieu thereof "(b) AUTHORIZED INCREASE.—".

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, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(b) ADJUSTMENTS.—Section 115 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) The end strengths prescribed by law for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

"(A) 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 that fiscal year; and

"(B) 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 that fiscal year.

"(2) Whenever such units or such individual members are released from active duty, the end strength prescribed for the Selected Reserve of such reserve component for the fiscal year in which released shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.".

(c) TEMPORARY PROHIBITION ON ELIMINATING RESERVE COMPONENT UNITS.—(1) Except as provided in paragraph (2), no unit in the Selected Reserve of the Army, Navy, Air Force, or Marine Corps may be inactivated during fiscal year 1993.

(2) Paragraph (1) does not apply to the following:

(A) An inactivation of a unit which is the direct result of the closure or realignment of a military installation required pursuant to law.

(B) An inactivation of a reinforcing unit in the Naval Reserve that is associated directly with a decommissioned unit in the active component of the Navy.

(C) An inactivation of an aviation unit as a direct result of the phasing out of a weapon system from the active components and the reserve components by the end of fiscal year 1993.

(3) A unit of the Selected Reserve of the Army, Navy, Air Force, or Marine Corps may not be inactivated pursuant to an exception in paragraph (2) until the Secretary of Defense has submitted to the Committees on Armed Services of the Senate and House of Representatives the rationale for the proposed inactivation of that unit and the specific exception that applies.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,860.

(2) The Army Reserve, 12,862.

(3) The Naval Reserve, 22,055.

(4) The Marine Corps Reserve, 2,282.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 636.

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) ACTIVE FORCES.—For fiscal year 1993, the Armed Forces are authorized average military training loads for active forces as follows:

(1) The Army, 60,269.

(2) The Navy, 51,405.

(3) The Marine Corps, 19,016.

(4) The Air Force, 27,971.

(b) RESERVE COMPONENTS.—For fiscal year 1993, the Armed Forces are authorized average military training loads for reserve component forces as follows:

(1) The Army Reserve, 12,583.

(2) The Army National Guard, 10,529.

(3) The Naval Reserve, 1,892.

(4) The Marine Corps Reserve, 3,418.

(5) The Air Force Reserve, 1,529.

(6) The Air National Guard, 3,048.

(c) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in subtitles A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

Subtitle D—Funding Authorization

SEC. 431. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces for military personnel in the total amount of $77,316,200,000.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Reserve Component Matters

SEC. 501. REALIGNMENT OF CERTAIN ACTIVE ARMY COMBAT SUPPORT AND COMBAT SERVICE SUPPORT POSITIONS TO RESERVE COMPONENTS.

(a) FINDING.—The Congress finds that the force structure of the active component of the Army contains approximately 19,000 positions for personnel having missions to provide combat support and combat service support to inactivated Army units formerly stationed in Europe.

(b) REALIGNMENT REQUIRED.—The Secretary of Defense shall ensure that, not later than September 30, 1993, the missions referred to in subsection (a) are transferred to the reserve components of the Army.

SEC. 502. LIMITATION ON REDUCTION IN NUMBER OF RESERVE COMPONENT MEDICAL PERSONNEL.

(a) LIMITATION.—The Secretary of Defense may not reduce the number of medical personnel in the Army National Guard of the United States or the Army Reserve below the number of such personnel in those reserve components on September 30, 1992.

(b) DEFINITION.—In subsection (a), the term "medical personnel" has the meaning given that term in section 115a(g)(2) of title 10, United States Code.

SEC. 503. ONE-YEAR EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT PROGRAMS.

(a) GRADE DETERMINATION AUTHORITY FOR CERTAIN RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(b) PROMOTION AUTHORITY FOR CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of such title are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (10 U.S.C. 3360 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 30, 1992.

SEC. 504. REENLISTMENT ELIGIBILITY OF CERTAIN FORMER RESERVE OFFICERS.

(a) LIMITATION FOR THE ARMY.—Section 3258 of title 10, United States Code, is amended—

(1) by striking out the last sentence;

(2) by inserting "(a)" before "Any"; and

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

"(b) A person is not entitled to be reenlisted under subsection (a) if—

"(1) the person was discharged or released from active duty as a Reserve officer on the basis of a determination of—

"(A) misconduct;

"(B) moral or professional dereliction;

"(C) duty performance below prescribed standards for the grade held; or

"(D) retention being inconsistent with the interests of national security; or

"(2) the person's former enlisted status and grade was based solely on the participation

by that person in a precommissioning program that resulted in the Reserve commission held by that person during the active duty from which the person was released or discharged.".

(b) LIMITATION FOR THE AIR FORCE.—Section 8258 of such title is amended—

(1) by striking out the last sentence;

(2) by inserting "(a)" before "Any"; and

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

"(b) A person is not entitled to be reenlisted under subsection (a) if—

"(1) the person was discharged or released from active duty as a Reserve officer on the basis of a determination of—

"(A) misconduct;

"(B) moral or professional dereliction;

"(C) duty performance below prescribed standards for the grade held; or

"(D) retention being inconsistent with the interests of national security; or

"(2) the person's former enlisted status and grade was based solely on the participation by that person in a precommissioning program that resulted in the Reserve commission held by that person during the active duty from which the person was released or discharged.".

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply to persons discharged or released from active duty as a commissioned officers in the Army Reserve or the Air Force Reserve, respectively, after the date of the enactment of this Act.

SEC. 505. STUDY OF EFFECTS OF OPERATIONS DESERT SHIELD AND DESERT STORM MOBILIZATIONS OF RESERVES AND MEMBERS OF THE NATIONAL GUARD WHO WERE SELF-EMPLOYED OR OWNERS OF SMALL BUSINESSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) The service of the members of the Armed Forces of the United States in Operations Desert Shield and Desert Storm was commendable.

(2) The Reserves and the members of the National Guard contributed to the readiness, preparedness, and combat capability of the coalition forces that participated in the liberation of Kuwait.

(3) The Reserves and the members of the National Guard ordered to active duty in connection Operations Desert Shield and Desert Storm who were self-employed or were owners of small businesses possibly suffered unique financial difficulties resulting from their absence from their businesses for such active duty service.

(b) STUDY AND REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) conduct a study regarding the economic and other effects on the Reserves and members of the National Guard referred to in subsection (a)(3) of being absent from their businesses for active duty service in connection Operations Desert Shield and Desert Storm; and

(2) submit a report on the results of the study to the Committees on Armed Services of the Senate and the House of Representatives.

(c) CONTENT OF REPORT.—The report shall include the following matters:

(1) The number of Reserves and members of the National Guard ordered to active duty in connection with Operations Desert Shield and Desert Storm who were self-employed or were owners of small businesses.

(2) A description of the businesses owned by those Reserves and members of the National Guard when such personnel were ordered to active duty.

(3) A detailed analysis of the economic effects on the businesses of such personnel resulting from the absence of such personnel for active duty service.

(4) A discussion of the factors that contributed to any financial hardship or gain for such businesses during the period of the absence of such personnel.

(5) The extent to which such personnel voluntarily separated from the Armed Forces, assumed an inactive status, or retired after being released from active duty.

(6) An analysis of the rates of such separations, change of status, and retirements.

Subtitle B—Service Academies

SEC. 511. LIMITATION ON ASSIGNMENT OF GENERAL OFFICERS.

(a) UNITED STATES MILITARY ACADEMY.—(1)(A) Chapter 403 of title 10, United States Code, is amended by inserting after section 4337 the following new section 4338:

"§ 4338. Limitations on faculty, staff, and support personnel

"(a) GENERAL OFFICERS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of more than one general officer to permanent duty at the Academy at any time or to support the assignment of any general officer in a grade above major general to permanent duty at the Academy.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4337 the following new item:

"4338. Limitations on faculty, staff, and support personnel.".

(2) Subsection (c) of section 4335 of such title is repealed.

(b) UNITED STATES AIR FORCE ACADEMY.—(1)(A) Chapter 903 of such title is amended by inserting after section 9337 the following new section 9338:

"§ 9338. Limitations on faculty, staff, and support personnel

"(a) GENERAL OFFICERS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of more than one general officer to permanent duty at the Academy at any time or to support the assignment of any general officer in a grade above major general to permanent duty at the Academy.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 9337 the following new item:

"9338. Limitations on faculty, staff, and support personnel.".

(2) Section 9334 of such title is amended—

(A) by striking out subsection (b); and

(B) in subsection (a), by striking out "(a)".

(c) EFFECTIVE DATE AND TRANSITION PROVISION.—(1) The amendments made by subsections (a) and (b) shall take effect on April 1, 1993.

(2) General officers who, on the date of the enactment of this Act, are assigned to permanent duty positions at the United States Military Academy and the United States Air Force Academy in excess of the number of such officers permitted by the amendments made by subsections (a) and (b) shall be reassigned before the effective date of such amendments.

(3) The Chairman of the Joint Chiefs of Staff may direct that one or more of the general officer positions referred to in paragraph (2) be allocated to meet unsatisfied requirements for general officer joint duty positions.

SEC. 512. ACADEMY PREPARATORY SCHOOLS.

Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a plan for implementing the recommendations contained in the report of the Comptroller General of the United States, dated March 13, 1992, regarding the preparatory schools of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

SEC. 513. COMPOSITION OF ACADEMY FACULTIES.

Not later than April 1, 1993, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and House of Representatives recommended legislation for—

(1) establishing at the United States Military Academy and the United States Air Force Academy a faculty composed of approximately equal numbers of civilian and Armed Forces personnel; and

(2) phasing out the assignment of Armed Forces personnel as permanent professors at those academies.

SEC. 514. ACADEMY BANDS.

(a) UNITED STATES MILITARY ACADEMY.—Section 4338 of title 10, United States Code (as added by section 511(a)), is amended by adding at the end the following:

"(b) ENLISTED BANDS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for permanent duty in a military band for the Academy.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Section 6969 of such title is amended to read as follows:

"§ 6969. Naval Academy Band

"(a) Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for permanent duty in the Naval Academy Band.

"(b) In determining years of service for the purpose of retirement, enlisted members of the Navy who have previously been assigned as leaders or second leaders of the Naval Academy Band shall be treated as if they had not been so assigned.".

(2) The item relating to such section in the table of sections at the beginning of chapter 603 of such title is amended to read as follows:

"6969. Naval Academy Band.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9338 of such title (as added by section 511(b)) is amended by adding at the end the following:

"(b) ENLISTED BANDS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for duty in a military band for the Academy.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 515. NONINSTRUCTIONAL STAFF.

(a) UNITED STATES MILITARY ACADEMY.—Section 4338 of title 10, United States Code (as added by section 511(a) and as amended by section 514(a)), is further amended by adding at the end the following:

"(c) NONINSTRUCTIONAL STAFF.—Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in non-

instructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or cadets or in the maintenance of Academy facilities or equipment.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of such title is amended by adding at the end the following new section:

"§ 6975. Limitations on faculty, staff, and support personnel

"Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or midshipmen or in the maintenance of Academy facilities or equipment.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6974 the following new item:

"6975. Limitations on faculty, staff, and support personnel.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9338 of such title (as added by section 511(b) and as amended by section 514(c)), is further amended by adding at the end the following:

"(c) NONINSTRUCTIONAL STAFF.—Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or cadets or in the maintenance of Academy facilities or equipment.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 516. MAJOR TRAINING COMMAND JURISDICTION.

(a) UNITED STATES MILITARY ACADEMY.—Section 4331(a) of title 10, United States Code, is amended by adding at the end the following: "The Academy is under the supervision and control of the commander of the major Army command having jurisdiction over Army officer training programs.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Section 6951 of such title is amended by adding at the end the following: "The Academy is under the supervision and control of the major Navy command having jurisdiction over Navy officer training programs.".

(2)(A) The heading of such section is amended to read as follows:

"§ 6951. Location and administration".

(B) The item relating to that section in the table of sections at the beginning of chapter 603 of title 10, United States Code, is amended to read as follows:

"6951. Location and administration.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9331(a) of such title is amended by adding at the end the following: "The Academy is under the supervision and control of the commander of the major Air Force command having jurisdiction over Air Force officer training programs.".

Subtitle C—Officer Personnel Policy

SEC. 521. OFFICER PERSONNEL MANAGEMENT PLANS.

(a) REPORT ON PLANNED OFFICER ACCESSIONS.—(1) Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plans of the military departments for the procurement of officer personnel during each of fiscal years 1993 through 1997.

(2) The report shall contain for each fiscal year for each military department the following:

(A) For each program of officer training resulting in a commission, the number of persons to be commissioned.

(B) Of the persons to be commissioned under the Reserve Officer Training Corps program, the number of persons receiving scholarships under that program and the number of persons not receiving scholarships under the program.

(C) Of the number of persons to be commissioned—

(i) the number necessary to meet immediate needs for active component personnel;

(ii) the number necessary to meet immediate needs for personnel for the Selected Reserve of the Ready Reserve of the reserve components; and

(iii) the number that will be assigned directly into the Individual Ready Reserve of the reserve components.

(b) REPORT ON PLANNED OFFICER ASSIGNMENTS.—Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the types of assignments that the military departments plan for the commissioned officers who commence active duty for their initial period of obligated active duty service during each of fiscal years 1993 through 1997 after being commissioned upon completion of an officer training program, stated by officer training program. The report shall contain an analysis of the number of officers that are to be assigned for skills training and the number of officers that are to be assigned directly to occupational positions.

SEC. 522. EVALUATION OF EFFECTS OF OFFICER STRENGTH REDUCTIONS ON OFFICER PERSONNEL MANAGEMENT SYSTEMS.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall provide for a federally funded research and development center that is independent of the military departments to review the officer personnel management system of each of the military departments and to determine and evaluate the effects of the post-Cold War officer strength reductions on that officer personnel management system.

(b) MATTERS TO BE CONSIDERED.—The review and evaluation shall include, for the officer personnel management system of each military department, the effects of the officer strength reductions on the following:

(1) The timing and opportunities for officer promotions.

(2) The expected lengths of officer careers.

(3) Other features of the officer personnel management system under the Defense Officer Personnel Management Act (Public Law 96-513; 94 Stat. 2835) and the provisions of law added and amended by that Act.

(4) Any other aspects of the officer personnel management system that the federally funded research and development center personnel conducting the review and evaluation consider appropriate or as directed by the Secretary of Defense.

(c) REPORT.—Not later than December 31, 1993, the federally funded research and development center shall submit to the Secretary of Defense a report on the results of the review and evaluation. Within 60 days after receiving the report, the Secretary shall transmit the report to the congressional defense committees. The Secretary may submit to such committees any comments that the Secretary considers appropriate regarding the matters contained in the report.

(d) FUNDING.—Funds appropriated for fiscal year 1993 pursuant to title II and made available for federally funded research and development centers shall be available for the conduct of the review and evaluation under this section.

SEC. 523. TEST ASSIGNMENT OF FEMALE MEMBERS TO COMBAT AIRCRAFT POSITIONS.

Section 550 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (105 Stat. 1370; 10 U.S.C. 113 note) is amended—

(1) by redesignating subsection (b) as subsection (c);

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

"(b) ASSIGNMENTS TO COMBAT AIRCRAFT.—The Secretary of Defense shall require the conduct of test assignments of female members of each armed force to duty in combat aircraft of that armed force."; and

(3) in subsection (c), as redesignated by paragraph (1), by inserting "and pursuant to subsection (b)" after "subsection (a)".

SEC. 524. SELECTIVE EARLY RETIREMENT.

Section 638a(c) of title 10, United States Code, is amended by adding at the end the following:

"(3) In the case of an action under subsection (b)(2), the Secretary of the military department concerned may submit to a selection board convened pursuant to that subsection—

"(A) the names of all eligible officers described in that subsection in a particular grade and competitive category; or

"(B) the names of all eligible officers described in that subsection in a particular grade and competitive category who are also in particular year groups, specialties, or retirement categories, or any combination thereof, within that competitive category.".

SEC. 525. RETIREMENT OF CERTAIN LIMITED DUTY OFFICERS OF THE NAVY.

(a) REGULAR NAVY COMMANDERS.—Section 633 of title 10, United States Code, is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, the preceding sentence shall not apply to an officer of the Navy designated for limited duty to whom section 6383 of this title applies.".

(b) REGULAR NAVY CAPTAINS.—Section 634 of title 10, United States Code, is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, the preceding sentence shall not apply to an officer of the Regular Navy designated for limited duty to whom section 6383(a)(4) of this title applies.".

(c) MAXIMUM TENURE.—Subsection (a) of section 6383 of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

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

"(2) Except as provided in subsection (i), each regular officer of the Navy designated for limited duty who is serving in the grade of commander, has failed of selection for promotion to the grade of captain for the second time, and is not on a list of officers recommended for promotion to the grade of captain shall—

"(A) if eligible for retirement as a commissioned officer under any provision of law, be retired under that provision law on the date requested by the officer and approved by the Secretary of the Navy, except that the date of retirement may not be later than the first

day of the seventh month beginning after the month in which the President approves the report of the selection board in which the officer is considered as having failed for promotion to the grade of captain for a second time; or

"(B) if not eligible for retirement as a commissioned officer, be retired on the date requested by the officer and approved by the Secretary of the Navy after the officer becomes eligible for retirement as a commissioned officer, except that the date of retirement may not be later than the first day of the seventh calendar month beginning after the month in which the officer becomes eligible for retirement as a commissioned officer.

"(3) Except as provided in subsection (i), if not retired earlier, a regular officer of the Navy designated for limited duty who is serving in the grade of commander and is not on a list of officers recommended for promotion to the grade of captain shall be retired on the last day of the month following the month in which the officer completes 35 years of active naval service, exclusive of active duty for training in a reserve component.

"(4) Except as provided in subsection (i), each regular officer of the Navy designated for limited duty who is serving in the grade of captain shall, if not retired sooner, be retired on the last day of the month following the month in which the officer completes 38 years of active naval service, exclusive of active duty for training in a reserve component.

"(5) Paragraphs (2) through (4) shall be effective only during the period beginning on July 1, 1993, and ending on October 1, 1995.".

(d) LIMITATION ON DEFERRED RETIREMENT.—Subsection (i) of section 6383 of such title is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, an officer of the Navy in the grade of commander or captain whose retirement is deferred under this subsection and who is not subsequently promoted may not be continued on active duty beyond age 62 or, if earlier, 28 years of active commissioned service if in the grade of commander or 30 years of active commissioned service if in the grade of captain.".

Subtitle D—Active Forces Transition Enhancements

SEC. 531. ENCOURAGEMENT FOR CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PERMANENT PROGRAM.—(1) Chapter 58 of title 10, United States Code, is amended by inserting after section 1143 the following new section:

"§ 1143a. Encouragement of postseparation public and community service: Department of Defense

"(a) IN GENERAL.—The Secretary of Defense shall implement a program to encourage members and former members of the armed forces to enter into public and community service jobs after discharge or release from active duty.

"(b) PERSONNEL REGISTRY.—The Secretary shall maintain a registry of members and former members of the armed forces discharged or released from active duty who request registration for assistance in pursuing public and community service job opportunities. The registry shall include information on the particular job skills, qualifications, and experience of the registered personnel.

"(c) REGISTRY OF PUBLIC SERVICE AND COMMUNITY SERVICE ORGANIZATIONS.—The Secretary shall also maintain a registry of public service and community service organizations. The registry shall contain information regarding each organization, including its location, its size, the types of public and community service positions in the organization, points of contact, procedures for applying for such positions, and a description of each such position that is likely to be available. Any such organization may request registration under this subsection and, subject to guidelines prescribed by the Secretary, be registered.

"(d) ASSISTANCE TO BE PROVIDED.—(1) The Secretary shall actively attempt to match personnel registered under subsection (b) with public and community service job opportunities and to facilitate job-seeking contacts between such personnel and the employers offering the jobs.

"(2) The Secretary shall offer personnel registered under subsection (b) counselling services regarding—

"(A) public service and community service organizations; and

"(B) procedures and techniques for qualifying for and applying for jobs in such organizations.

"(3) The Secretary may provide personnel registered under subsection (b) with access to the interstate job bank program of the United States Employment Service if the Secretary determines that such program meets the needs of separating members of the armed forces for job placement.

"(e) CONSULTATION REQUIREMENT.—In carrying out this section, the Secretary shall consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector.

"(f) DELEGATION.—The Secretary, with the concurrence of the Secretary of Labor, may designate the Secretary of Labor as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in this section. Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of the provisions of this section.

"(g) DEFINITIONS.—In this section, the term 'public service and community service organization' includes the following organizations:

"(1) Any organization that provides the following services:

"(A) Elementary, secondary, or postsecondary school teaching or administration.

"(B) Support of such teaching or school administration.

"(C) Law enforcement.

"(D) Public health care.

"(E) Social services.

"(F) Any other public or community service.

"(2) Any nonprofit organization that coordinates the provision of services described in paragraph (1).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1143 the following new item:

"1143a. Encouragement of postseparation public and community service: Department of Defense.".

(b) DEPARTMENT OF VETERANS AFFAIRS RESPONSIBILITIES.—Section 1142(b)(4) of title 10, United States Code, is amended by inserting before the period at the end the following: ", including the public and community service jobs program carried out under section 1143a of this title".

(c) PRESEPARATION ASSISTANCE BY THE DEPARTMENT OF LABOR.—Section 1144(b) of such title is amended by adding at the end the following new paragraph:

"(8) Provide information regarding the public and community service jobs program carried out under section 1143a of this title.".

SEC. 532. TEACHER CERTIFICATION CREDIT FOR MILITARY EXPERIENCE.

(a) UNIFORM STATE STANDARDS AND PROCEDURES.—(1) The Secretary of Defense shall—

(A) develop proposed uniform standards and procedures for the granting of appropriate credit for service in the Armed Forces under State teacher certification or licensing procedures; and

(B) coordinate with appropriate agencies of each State to encourage the incorporation of such uniform standards and procedures into the State's teacher certification or licensing requirements.

(2) The uniform standards should reflect the value to the teaching profession of relevant skills and experience derived from service in the Armed Forces.

(b) DELEGATION TO THE SECRETARY OF EDUCATION.—The Secretary, with the concurrence of the Secretary of Education, may designate the Secretary of Education as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in subsection (a). Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of such subsection.

SEC. 533. PROGRAM OF EDUCATIONAL LEAVE RELATING TO CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PROGRAM.—Under regulations prescribed by the Secretary of Defense after consultation with the Secretary of Transportation and subject to subsections (b) and (c), the Secretary concerned may grant to an eligible member of the Armed Forces a leave of absence for a period not to exceed one year for the purpose of permitting the member to pursue a program of education or training (including an internship) for the development of skills that are relevant to the performance of public and community service. A program of education or training referred to in the preceding sentence includes any such program that is offered by the Department of Defense or by any civilian educational or training institution.

(b) ELIGIBILITY REQUIREMENT.—(1) A member may not be granted a leave of absence under this section unless the member agrees in writing—

(A) diligently to pursue employment in public service and community service organizations upon the separation of the member from active duty in the Armed Forces; and

(B) to serve in the Ready Reserve of an armed force, upon such separation, for a period of 4 months for each month of the period of the leave of absence.

(2)(A) A member may not be granted a leave of absence under this section until the member has completed any period of extension of enlistment or reenlistment, or any period of obligated active duty service, that the member has incurred under section 708 of title 10, United States Code.

(B) The Secretary concerned may waive the limitation in subparagraph (A) for a member who enters into an agreement with the Secretary for the member to serve in the Ready Reserve of a reserve component for a period equal to the uncompleted portion of the member's period of service referred to in that subparagraph. Any such period of agreed service in the Ready Reserve shall be

in addition to any other period that the member is obligated to serve in a reserve component.

(c) TREATMENT OF LEAVE OF ABSENCE.—A leave of absence under this section shall be subject to the provisions of subsections (c) and (d) of section 708 of title 10, United States Code.

(d) EXCLUSION FROM END STRENGTH LIMITATION.—A member of the Armed Forces, while on leave granted pursuant to this section, may not be counted for purposes of any provision of law that limits the active duty strength of the member's armed force.

(e) DEFINITIONS.—In this section:

(1) The term "Secretary concerned" has the meaning given such term in section 101 of title 10, United States Code.

(2) The term "eligible member of the Armed Forces" means a member of the Armed Forces who is eligible for an educational leave of absence under section 708(e) of such title.

(3) The term "public service and community service organization" has the meaning given such term in section 1143a of such title (as added by section 531(a)).

(f) EXPIRATION.—The authority to grant a leave of absence under subsection (a) shall expire on September 30, 1995.

SEC. 534. TEMPORARY EARLY RETIREMENT AUTHORITY.

(a) RETIREMENT FOR 15 TO 20 YEARS OF SERVICE.—(1) The Secretary of the Army may, upon the member's request, retire a member of the Army who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 3926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 3925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(2) The Secretary of the Navy may, upon the member's request, retire a member of the Navy or Marine Corps who has the following years of active service:

(A) In the case of a commissioned officer or enlisted member, between 15 and 20 years.

(B) In the case of a warrant officer, between 15 and 20 years computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(3) The Secretary of the Air Force may, upon the member's request, retire a member of the Air Force who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 8926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 8925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(b) ADDITIONAL ELIGIBILITY REQUIREMENT.—In order to be eligible for retirement under subsection (a), a member of the Armed Forces shall register on the registry maintained under section 1143a(b) of title 10, United States Code (as added by section 531(a)) and receive counselling regarding public and community service job opportunities from the Secretary of Defense or another source approved by the Secretary.

(c) COMPUTATION OF RETIRED PAY.—A member or former member of the Armed Forces retired under subsection (a) shall be entitled to retired pay computed under the provisions of chapter 71, 371, 571, or 871 of title 10, United States Code, that would be applicable to such member or former member if—

(1) the member or former member had been retired under section 1293 (in the case of a retired warrant officer), 3911 (in the case of a retired commissioned Army officer), 3914 (in the case of a retired enlisted member of the Army), 6323 (in the case of a retired commissioned officer of the Navy), 8911 (in the case of a retired commissioned Air Force officer), or 8914 (in the case of a retired enlisted member of the Air Force) of such title upon completion of 20 years of service creditable for purposes of eligibility for retirement; or

(2) in the case of a retired enlisted member of the Regular Navy or Regular Marine Corps, the retired enlisted member had been retired under section 6326 of such title upon completion of 30 years of active service in the Armed Forces creditable for purposes of eligibility for retirement.

(d) FUNDING.—(1) Notwithstanding section 1463 of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary of each military department shall provide in accordance with this section for the payment of retired or retainer pay payable during the fiscal years covered by the other provisions of this subsection to members of the armed force under the jurisdiction of that Secretary who are being retired under the authority of this section.

(2) In each fiscal year in which the Secretary of a military department retires a member of the Armed Forces under the authority of this section, the Secretary shall credit to a subaccount (which the Secretary shall establish) within the appropriation account for that fiscal year for pay and allowances of active duty members of the armed force under the jurisdiction of that Secretary such amount as is necessary to pay the retired or retainer pay payable to such member for the entire initial period (determined under paragraph (3)) of the entitlement of that member to receive retired or retainer pay.

(3) The initial period applicable under paragraph (2) in the case of a retired member referred to in that paragraph is the number of years (and any fraction of a year) that is equal to the difference between 20 years and the number of years (and any fraction of a year) of service that were completed by the member (as computed under the provision of law referred to in subsection (a) that is applicable to that member) before being retired under this section.

(4) The Secretary shall pay the member's retired or retainer pay for such initial period out of amounts credited to the subaccount under paragraph (2). The amounts so credited with respect to that member shall remain available for payment for that period.

(e) COORDINATION OF BENEFITS.—A member of the Armed Forces retired under this section is not entitled to benefits under section 1174, 1174a, or 1175 of title 10, United States Code.

(f) TERMINATION OF AUTHORITY.—The authority under subsection (a) shall terminate on October 1, 1995.

SEC. 535. INCREASED EARLY RETIREMENT RETIRED PAY FOR PUBLIC OR COMMUNITY SERVICE.

(a) RECOMPUTATION OF RETIRED PAY.—(1) If a member or former member of the Armed Forces retired under section 534(a) or any other provision of law authorizing retirement from the Armed Forces (other than for disability) before the completion of at least 20 years of active duty service (as computed under the applicable provision of law) is employed by a public service or community service organization listed on the registry maintained under section 1143a(c) of title 10, United States Code (as added by section 531(a)), within the period of the member's enhanced retirement qualification period, the member's or former member's retired or retainer pay shall be recomputed effective on the first day of the first month beginning after the date on which the member or former member attains 62 years of age.

(2) For purposes of recomputing a member's or former member's retired pay—

(A) the years of the member's or former member's employment by a public service or community service organization referred to in paragraph (1) during the member's or former member's enhanced retirement qualification period shall be treated as years of active duty service in the Armed Forces; and

(B) in applying section 1401a of title 10, United States Code, the member's or former member's years of active duty service shall be deemed as of the date of retirement to have included the years of employment referred to in subparagraph (A).

(3) Section 1405(b) of title 10, United States Code, shall apply in determining years of service under this subsection.

(4) In this subsection, the term "enhanced retirement qualification period", with respect to a member or former member retired under a provision of law referred to in paragraph (1), means the period beginning on the date of the retirement of the member or former member and ending the number of years (including any fraction of a year) after that date which when added to the number of years (including any fraction of a year) of service credited for purposes of computing the retired pay of the member or former member upon retirement equals 20 years.

(b) SBP ANNUITIES.—(1) Effective on the first day of the first month after a member or former member of the Armed Forces retired under a provision of law referred to in subsection (a)(1) attains 62 years of age or, in the event of death before attaining that age, would have attained that age, the base amount applicable under section 1447(2) of title 10, United States Code, to any Survivor Benefit Plan annuity provided by that member or former member shall be recomputed. For the recomputation the total years (including any fraction of a year) of the member's or former member's active service shall be treated as having included the member's or former member's years (including any fraction of a year) of employment referred to in subsection (a)(1) as of the date when the member or former member became eligible for retired pay under this section.

(2) In this subsection, the term "Survivor Benefit Plan" means the plan established under subchapter II of chapter 73 of title 10, United States Code.

SEC. 536. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PERSONNEL TO ENROLL IN MONTGOMERY GI BILL PROGRAM WHILE BEING VOLUNTARILY SEPARATED FROM SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by inserting after section 3018A the following new section:

"§ 3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is voluntarily discharged from the Armed Forces with an honorable discharge, or voluntarily released from active duty under honorable conditions (as characterized by the Secretary concerned), pursuant to a request for separation approved under section 1174a or 1175 of title 10,

"(2) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree,

"(3) in the case of any individual who has made an election under section 3011(c)(1) of this title, withdraws such election pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section,

"(4) in the case of any person enrolled in the educational benefits program provided by chapter 32 of this title makes an irrevocable election, pursuant to procedures referred to in paragraph (3) of this subsection, to receive benefits under this section in lieu of benefits under such chapter 32, and

"(5) elects to receive assistance under this section pursuant to regulations referred to in paragraph (3) of this subsection,

is entitled to basic educational assistance under this chapter.

"(b) An election or withdrawal of election permitted under subsection (a) of this section is not effective unless—

"(1) in the case of an individual separated from active duty more than 90 days after the date of the enactment of this section, the individual makes the election or withdrawal before the separation;

"(2) in the case of an individual separated from active duty on or after the date of the enactment of this section and within 90 days after that date, the individual makes the election or withdrawal within 90 days after the separation; and

"(3) in the case of an individual separated from active duty before the date of the enactment of this section, the individual makes the election or withdrawal within 90 days after such date.

"(c)(1) An individual described in subsection (a) of this section who makes a withdrawal referred to in subsection (a)(3) of this section shall pay $1,200 to the Secretary of Veterans Affairs. In the case of an individual who makes the withdrawal of election before being separated, any portion of the obligation to pay $1,200 may be discharged by reduction of that individual's basic pay.

"(2) Amounts received by the Secretary pursuant to paragraph (1) shall be credited to the appropriation available for the fiscal year in which received for the Department of Veterans Affairs for the payment of readjustment benefits.

"(d) A withdrawal of election referred to in subsection (a)(3) of this section is irrevocable.

"(e)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(4) of this subsection shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) as provided in section 3223(b) of this title, to the individual the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to section 3222(c) of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such Account to make payments of benefits to such individual under section 3015(e) of this title.".

(2) The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 3018A the following new item:

"3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service.".

(b) CONFORMING AMENDMENTS.—(1) Section 3013(d) of such title is amended by inserting "or 3018B" after "section 3018A".

(2) Section 3015(e) of such title is amended by inserting "or 3018B" after "section 3018A".

(3) Section 3035(b)(3) of such title is amended—

(A) in the matter above subparagraph (A), by inserting "or 3018B" after "section 3018A"; and

(B) in subparagraph (B), by inserting "or 3018B(a)(3)" after "section 3018A(a)(3)".

SEC. 537. ELIMINATION OF RECOUPMENT REQUIREMENT FOR RESERVE DUTY.

Paragraph (2) of section 1175(e) of title 10, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), a member entitled to voluntary separation incentive payments who is also entitled to basic pay for active service shall forfeit an amount of voluntary separation incentive payable for the same period that is equal to the total amount of basic pay received.

"(B) Subparagraph (A) does not apply with respect to—

"(i) annual training; or

"(ii) active duty for training that is not active duty for a period of more than 30 days.".

SEC. 538. AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN EMPLOYMENT, JOB TRAINING, AND OTHER ASSISTANCE.

Section 1144(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "$4,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$11,000,000 for fiscal year 1993 and $8,000,000 for each of fiscal years 1994 and 1995."; and

(2) in paragraph (2), by striking out "$1,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$6,500,000 for each of fiscal years 1993, 1994, and 1995.".

SEC. 539. CONTINUED HEALTH COVERAGE FOR MEMBERS AND DEPENDENTS UPON THE SEPARATION OF THE MEMBERS FROM ACTIVE DUTY AND FOR EMANCIPATED CHILDREN OF MEMBERS.

(a) MEMBERS AND EMANCIPATED CHILDREN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1078 the following new section:

"§ 1078a. Continued health benefits coverage

"(a) PROVISION OF CONTINUED HEALTH COVERAGE.—The Secretary of Defense and the Director of the Office of Personnel Management shall jointly carry out a program in accordance with this section to provide persons described in subsection (b) with temporary health benefits under the program of continued health benefits coverage provided for former civilian employee of the Federal Government and other persons under section 8905a of title 5.

"(b) ELIGIBLE PERSONS.—The persons referred to in subsection (a) are the following:

"(1) A member of the armed forces who—

"(A) is discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily, under other than adverse conditions, as characterized by the Secretary concerned;

"(B) immediately preceding that discharge or release, is entitled to medical and dental care under section 1074(a) of this title (except in the case of a member discharged or released from full-time National Guard duty); and

"(C) after that discharge or release and any period of transitional health care provided under section 1145(a) of this title, would not otherwise be eligible for any benefits under this chapter.

"(2) A person who—

"(A) ceases to meet the requirements for being considered an unmarried dependent child of a member or former member of the armed forces under section 1072(2)(D) of this title;

"(B) on the day before ceasing to meet those requirements, was covered under a health benefits plan under this chapter or transitional health care under section 1145(a) of this title as a dependent of the member or former member; and

"(C) would not otherwise be eligible for any benefits under this chapter.

"(c) NOTIFICATION OF ELIGIBILITY.—(1) The Director, in consultation with the Secretary of Defense, shall prescribe regulations to provide for persons described in subsection (b) to be notified of eligibility to receive health benefits under this section.

"(2) In the case of a member who becomes (or will become) eligible for continued coverage under subsection (b)(1), the regulations shall provide for the Secretary concerned to notify the member of the member's rights under this section as part of preseparation counseling conducted under section 1142 of this title or any other provision of other law.

"(3) In the case of a child of a member who becomes eligible for continued coverage under subsection (b)(2), the regulations shall provide that—

"(A) the member may submit to the Secretary concerned a written notice of the child's change in status (including the child's name, address, and such other information as the Director may require); and

"(B) the Secretary concerned shall, within 14 days after receiving that notice, inform the child of the child's rights under this section.

"(d) ELECTION OF COVERAGE.—In order to obtain continued coverage under this section, an appropriate written election (submitted in such manner as the Director may prescribe) shall be made as follows:

"(1) In the case of a member described in subsection (b)(1), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date of the discharge or release of the member from active duty;

"(B) the date on which the period of transitional health care applicable to the member under section 1145(a) of this title ends; or

"(C) the date the member receives the notification required pursuant to subsection (c).

"(2) In the case of a person described in subsection (b)(2), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title, or

"(B) the date the person receives the notification pursuant to subsection (c),

except that if the Secretary concerned determines that the person's parent has failed to provide the notice referred to in subsection (c)(3)(A) with respect to the person in a timely fashion, the 60-day period under this paragraph shall be based only on the date under subparagraph (A).

"(e) COVERAGE OF DEPENDENTS.—A person eligible under subsection (b)(1) to elect to receive coverage may elect coverage either as an individual or, if appropriate, for self and dependents. A person eligible under subsection (b)(2) may elect only individual coverage.

"(f) CHARGES.—(1) Under arrangements satisfactory to the Director, a person receiving continued coverage under this section shall be required to pay into the Employees Health Benefits Fund established under section 8909 of title 5 an amount equal to the sum of—

"(A) the amount determined under section 8905a(d)(1)(A)(i) of title 5;

"(B) an amount, not in excess of 10 percent of the amount referred to in subparagraph (A), that is necessary for administrative expenses, as determined under regulations prescribed by the Director; and

"(C) such additional amount determined by the Director to be necessary to ensure that outlays from the Fund as a result of the program established under this section do not exceed amounts paid under this paragraph.

"(2) If a person elects to continue coverage under this section before the end of the applicable period under subsection (d), but after the person's coverage under this chapter (including any transitional extensions of coverage) expires, coverage shall be restored retroactively, with appropriate contributions (determined in accordance with paragraph (1)) and claims (if any), to the same extent and effect as though no break in coverage had occurred.

"(g) CONTRIBUTION.—Subject to the availability of appropriations for the purpose of this section, if the basis for continued coverage under this section for a member of the armed forces under subsection (b)(1) is involuntary separation approved under section 1174a or 1175 of this title, contributions shall be made in accordance with subsection (f)(1), except that—

"(1) the amount to be paid by the member shall be equal to the employee contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(2) the Secretary of Defense shall pay into the Employees Health Benefits Fund, under arrangements satisfactory to the Director of the Office of Personnel Management, an amount equal to—

"(A) the agency contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(B) the amount described in subsection (f)(1)(B).

"(h) PERIOD OF CONTINUED COVERAGE.—(1) Continued coverage under this section may not extend beyond—

"(A) in the case of a member described in subsection (b)(1), the date which is 18 months after the date the member ceases to be entitled to care under section 1074(a) of this title and any transitional care under section 1145 of this title, as the case may be; and

"(B) in the case of a person described in subsection (b)(2), the date which is 36 months after the date on which the individual first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title.

"(2) Notwithstanding paragraph (1)(B), if a person ceases to meet the requirements for being considered an unmarried dependent child of a member described in subsection (b)(1) during a period of continued coverage of that member for self and dependents under this section, extended coverage of that person under this section may not extend beyond the date which is 36 months after the date the member became ineligible for medical and dental care under section 1074(a) of this title and any transitional health care under section 1145(a) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1078 the following new item:

"1078a. Continued health benefits coverage.".

(b) TRANSITIONAL PROVISIONS.—The Director of the Office of Personnel Management shall provide a period for the enrollment for health benefits coverage under this section by members and former members of the Armed Services for whom the availability of transitional health care under section 1145(a) of title 10, United States Code, expires before section 1078a of such title, as added by subsection (a), is implemented.

(c) TERMINATION OF APPLICABILITY OF OTHER CONVERSION HEALTH POLICIES.—(1) No person may purchase a conversion health policy under section or 1145(b) of title 10, United States Code, on or after the date on which the Director of the Office of Personnel Management announces that section 1078a of such title is implemented. A person covered by such a conversion health policy on that date may cancel that policy and enroll in a health benefits plan under section 1078a of such title.

(2) No person may be covered concurrently by a conversion health policy under such section 1145(b) of title 10, United States Code, and a health benefits plan under section 1078a of such title.

(d) EFFECTIVE DATE.—Section 1078a of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1992.

Subtitle E—Guard and Reserve Transition Initiatives

SEC. 541. FORCE REDUCTION TRANSITION PERIOD DEFINED.

In this subtitle, the term "force reduction transition period" means the period beginning on October 1, 1991, and ending on September 30, 1995.

SEC. 542. MEMBER OF SELECTED RESERVE DEFINED.

In this subtitle, the term "member of the Selected Reserve" means—

(1) a member of a unit in the Selected Reserve of the Ready Reserve; and

(2) a Reserve designated pursuant to section 268(b) of title 10, United States Code.

SEC. 543. RESTRICTION ON RESERVE FORCE REDUCTION.

(a) IN GENERAL.—During the force reduction transition period, no unit in the Selected Reserve of the Ready Reserve of the Armed Forces may be inactivated and no member of the Selected Reserve may be involuntarily discharged from a reserve component of the Armed Forces or involuntarily transferred from the Selected Reserve before the Secretary of Defense has promulgated, implemented, and transmitted to the Committees on Armed Services of the Senate and House of Representatives regulations that govern the treatment of members of the Selected Reserve assigned to such units and members of the Selected Reserve that are being subjected to such actions.

(b) SAVINGS PROVISION.—Subsection (a) shall not apply to actions completed before the date of the enactment of this Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the prohibition in section 411(c).

SEC. 544. TRANSITION PLAN REQUIREMENTS.

(a) PURPOSE OF PLAN.—The purpose of the regulations referred to in section 543 shall be to ensure that the members of the Selected Reserve are treated with fairness, with respect for their service to their country, and with attention to the adverse personal consequences of Selected Reserve unit inactivations, involuntary discharges of such members from the reserve components of the Armed Forces, and involuntary transfers of such members from the Selected Reserve.

(b) SCOPE OF PLAN.—The regulations shall include—

(1) such provisions as are necessary to implement the provisions of this subtitle and the amendments made by this subtitle; and

(2) such other policies and procedures for the recruitment of personnel for service in the Selected Reserve of the Ready Reserve, and for the reassignment, retraining, separation, and retirement of members of the Selected Reserve, as are appropriate for satisfying the needs of the Selected Reserve together with the purpose set out in subsection (a).

(c) MINIMUM REQUIREMENTS FOR PLAN.—The regulations shall include the following:

(1) The giving of a priority to personnel referred to in section 543(a) for reassignment to Selected Reserve units not being inactivated.

(2) The giving of a priority to such personnel for transfer among the reserve components of the Armed Forces in order to facilitate reassignment to such units.

(3) A requirement that the Secretaries of the military departments take diligent actions to ensure that members of the reserve components of the Armed Forces are informed in easily understandable terms of the rights and benefits conferred upon such personnel by this subtitle, by the amendments made by this subtitle, and by such regulations.

(4) Such other protections, preferences, and benefits as the Secretary of Defense considers appropriate.

(d) UNIFORM APPLICABILITY.—The regulations shall apply uniformly to the Army, Navy, Air Force, and Marine Corps.

SEC. 545. INAPPLICABILITY TO CERTAIN DISCHARGES AND TRANSFERS.

The protections, preferences, and benefits provided for in regulations prescribed in accordance with this subtitle do not apply with respect to a member of the Selected Reserve who is discharged from a reserve component of the Armed Forces or is transferred from the Selected Reserve to another category of the Ready Reserve, to the Standby Reserve, or to the Retired Reserve—

(1) at the request of the member unless such request was made and approved under a provision of this subtitle or section 1331a of title 10, United States Code (as added by section 547);

(2) because the member no longer meets the qualifications for membership in the Se-

lected Reserve set forth in any provision of law as in effect on the day before the date of the enactment of this Act;

(3) under adverse conditions, as characterized by the Secretary of the military department concerned; or

(4) if the member—

(A) is immediately eligible for retired pay based on military service under any provision of law;

(B) is serving as a military technician, as defined in section 8401(30) of title 5, United States Code, and would be immediately eligible for an unreduced annuity under the provisions of subchapter III of chapter 83 of such title, relating to the Civil Service Retirement and Disability System, or the provisions of chapter 84 of such title, relating to the Federal Employees' Retirement System; or

(C) is eligible for separation pay under section 1174 of title 10, United States Code.

SEC. 546. FORCE REDUCTION PERIOD RETIREMENTS.

(a) TEMPORARY SPECIAL AUTHORITY.—During the period referred to in subsection (b), the Secretary concerned may grant a member of the Selected Reserve under the age of 60 years the annual payments provided for under this section if—

(1) as of October 1, 1991, that member has completed at least 20 years of service computed under section 1332 of title 10, United States Code, or after that date and before October 1, 1995, such member completes 20 years of service computed under that section;

(2) the member satisfies the requirements of paragraphs (3) and (4) of section 1331(a) of title 10, United States Code; and

(3) the member applies for transfer to the Retired Reserve—

(A) in the case of a member who has not received the notice required by section 1331(d) of that title before the date of the enactment of this Act, within one year after receiving such notice; and

(B) in the case of a member who received such a notice before the date of the enactment of this Act, within one year after that date.

(b) PERIOD OF APPLICABILITY.—The period referred to in subsection (a) is, with respect to a member of the Selected Reserve, the force reduction transition period, the period provided under paragraph (3) of that subsection for the member to submit an application, and the period necessary for taking action on that application.

(c) ANNUAL PAYMENT PERIOD.—An annual payment granted to a member under this section shall be paid for 5 years, except that if the member attains 60 years of age during the 5-year period the entitlement to the annual payment shall terminate on the member's 60th birthday.

(d) COMPUTATION OF ANNUAL PAYMENT.—(1) The annual payment for a member shall be equal to the amount determined by multiplying the product of 12 and the applicable percent under paragraph (2) by the monthly basic pay to which the member would be entitled if the member were serving on active duty as of the date the member is transferred to the Retired Reserve.

(2)(A) Subject to subparagraph (B) the percent applicable to a member for purposes of paragraph (1) is 5 percent plus 0.5 percent for each full year of service, computed under section 1332 of title 10, United States Code, that a member has completed in excess of 20 years before transfer to the Retired Reserve.

(B) The maximum percent applicable under this paragraph is 10 percent.

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(e) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary concerned may limit the applicability of this section to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(f) NONDUPLICATION OF BENEFITS.—A member transferred to the Retired Reserve under the authority of section 1331a of title 10, United States Code (as added by section 547), may not be paid annual payments under this section.

(g) FUNDING.—To the extent provided in appropriations Acts, payments under this section in a fiscal year shall be made out of amounts available to the Department of Defense for that fiscal year for the pay of reserve component personnel.

(h) HEALTH CARE BENEFITS.—A member of the Retired Reserve receiving annual payments under this section shall be treated as a member of the uniformed services entitled to retired or retainer pay for the purposes of the provisions of chapter 55 of title 10, United States Code.

SEC. 547. RETIREMENT WITH 15 YEARS OF SERVICE.

(a) AUTHORITY.—Chapter 67 of title 10, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Temporary special retirement qualification authority

"(a) RETIREMENT WITH AT LEAST 15 YEARS OF SERVICE.—For the purposes of section 1331 of this title, the Secretary of a military department may—

"(1) during the period described in subsection (b), determine to treat a member of the Selected Reserve of a reserve component of the armed force under the jurisdiction of that Secretary as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member—

"(A) as of October 1, 1991, has completed at least 15, and less than 20, years of service computed under section 1332 of this title; or

"(B) after that date and before October 1, 1995, completes 15 years of service computed under that section; and

"(2) upon the request of the member submitted to the Secretary within one year after the date of the notification referred to in paragraph (1), transfer the member to the Retired Reserve.

"(b) PERIOD OF AUTHORITY.—The period referred to in subsection (a)(1) is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993 and ending on October 1, 1995.

"(c) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) The Secretary of the military department concerned may limit the applicability of subsection (a) to any category of personnel defined by the Secretary in order to meet a need of the armed force under the jurisdiction of the Secretary to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

"(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a) of the National Defense Authorization Act for Fiscal Year 1993.

"(d) EXCLUSION.—This section does not apply to persons referred to in section 1331(c) of this title.

"(e) REGULATIONS.—The authority provided in this section shall be subject to regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1331 the following new item:

"1331a. Temporary special retirement qualification authority.".

SEC. 548. SEPARATION PAY.

(a) ELIGIBILITY.—Subject to section 545, a member of the Selected Reserve who, after completing at least 6 years of service computed under section 1332 of title 10, United States Code, and before completing 15 years of service computed under that section, is involuntarily discharged from a reserve component of the Armed Forces or is involuntarily transferred from the Selected Reserve is entitled to separation pay.

(b) AMOUNT OF SEPARATION PAY.—(1) The amount of separation pay which may be paid to a person under this section is 15 percent of the product of—

(A) the years of service credited to that person under section 1333 of title 10, United States Code; and

(B) 62 times the daily equivalent of the monthly basic pay to which the person would have been entitled had the person been serving on active duty at the time of the person's discharge or transfer.

(2) In the case of a person who receives separation pay under this section and who later receives basic pay, compensation for inactive duty training, or retired pay under any provision of law, such basic pay, compensation, or retired pay, as the case may be, shall be reduced by 75 percent until the total amount withheld through such reduction equals the total amount of the separation pay received by that person under this section.

(c) RELATIONSHIP TO OTHER SERVICE-RELATED PAY.—Subsections (g) and (h) of section 1174 of title 10, United States Code, shall apply to separation pay under this section.

(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations, which shall be uniform for the Army, Navy, Air Force, and Marine Corps, for the administration of this section.

SEC. 549. WAIVER OF CONTINUED SERVICE REQUIREMENT FOR MONTGOMERY GI BILL BENEFITS.

(a) IN GENERAL.—The eligibility of a person referred to in subsection (b)—

(1) to be provided educational assistance under chapter 106 of title 10, United States Code, may not be terminated under section 2134(2) of that title, or

(2) to be provided educational assistance under chapter 30 of title 38, United States Code, may not be terminated under section 3012(a) of that title,

on the basis of the termination of that person's status as a member of the Selected Reserve under the circumstances described in subsection (b).

(b) APPLICABILITY.—Subsection (a) applies to a member of the Selected Reserve who, before completing the years of service in the Selected Reserve agreed to under section 2132(a) of title 10, United States Code, or the years of service required by section 3012(a) of title 38, United States Code, as the case may be, ceases to be a member of the Selected Reserve during the force reduction transition

period by reason of the inactivation of his unit of assignment or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 268(b) of title 10, United States Code.

SEC. 550. COMMISSARY AND EXCHANGE PRIVILEGES.

The Secretary of Defense shall prescribe regulations to authorize a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period to continue to use commissary and exchange stores in the same manner as a member of the Selected Reserve for a period of one year after the later of—

(1) the date on which that person ceases to be a member of the Selected Reserve; or

(2) the date of the enactment of this Act.

SEC. 551. TEMPORARY CONTINUATION OF SERVICEMEN'S GROUP LIFE INSURANCE.

(a) CONTINUED COVERAGE.—For the purposes of section 1968(a) of title 38, United States Code, the 120-day period of coverage provided for under paragraph (4) of such section shall be extended to a 365-day period of coverage in the case of a former member of the Selected Reserve referred to in subsection (b).

(b) ELIGIBILITY.—Subsection (a) applies to a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period and is ready, willing, and able to perform the training described in section 1965(5)(B) of title 38, United States Code.

(c) PAYMENT OF PREMIUMS.—The total amount of the cost attributable to insuring a person under this section shall be paid from any funds available to the Department of Defense for the pay of reserve component personnel that the Secretary of Defense determines appropriate.

(d) IMPLEMENTATION.—The Secretary of Veterans Affairs shall take any contracting and other actions that are necessary to ensure that the provisions of this section are implemented promptly.

SEC. 552. APPLICABILITY AND TERMINATION OF BENEFITS.

(a) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned may limit the applicability of a benefit provided under sections 548 through 551 to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(b) INAPPLICABILITY TO CERTAIN SEPARATIONS AND REASSIGNMENTS.—Sections 548 through 551 do not apply with respect to personnel who cease to be members of the Selected Reserve under adverse conditions, as characterized by the Secretary of the military department concerned.

(c) TERMINATION OF BENEFITS.—The eligibility of a member of a reserve component of the Armed Forces (after having involuntarily ceased to be a member of the Selected Reserve) to receive benefits and privileges under sections 548 through 551 terminates upon the involuntary separation of such member from the Armed Forces under adverse conditions, as characterized by the Secretary of the military department concerned.

Subtitle F—Other Matters

SEC. 561. RETENTION ON ACTIVE DUTY OF ENLISTED MEMBERS WITHIN TWO YEARS OF ELIGIBILITY FOR RETIREMENT.

(a) IN GENERAL.—Chapter 59 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1176. Enlisted members: retention after completion of 18 or more, but less than 20, years of service

"(a) REGULAR MEMBERS.—A regular enlisted member who is selected to be involuntarily separated, or whose term of enlistment expires and who is denied reenlistment, and who on the date on which the member is to be discharged is within two years of qualifying for retirement under section 3914 or 8914 of this title, or of qualifying for transfer to the Fleet Reserve or Fleet Marine Corps Reserve under section 6330 of this title, shall be retained on active duty until the member is qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve, as the case may be, unless the member is sooner retired or discharged under any other provision of law.

"(b) RESERVE MEMBERS.—A reserve enlisted member serving on active duty who is selected to be involuntarily separated, or whose term of enlistment expires and who is denied reenlistment, and who on the date on which the member is to be discharged or released from active duty is entitled to be credited with at least 18 but less than 20 years of service computed under section 1332 of this title, may not be discharged or released from active duty without the member's consent before the earlier of the following:

"(1) If as of the date on which the member is to be discharged or released from active duty the member has at least 18, but less than 19, years of service computed under section 1332 of this title—

"(A) the date on which the member is entitled to be credited with 20 years of service computed under section 1332 of this title; or

"(B) the third anniversary of the date on which the member would otherwise be discharged or released from active duty.

"(2) If as of the date on which the member is to be discharged or released from active duty the member has at least 19, but less than 20, years of service computed under section 1332 of this title—

"(A) the date on which the member is entitled to be credited with 20 years of service computed under section 1332 of this title; or

"(B) the second anniversary of the date on which the member would otherwise be discharged or released from active duty.".

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

"1176. Enlisted members: retention after completion of 18 or more, but less than 20, years of service.".

SEC. 562. LIMITATIONS ON ENLISTED AIDES.

(a) LIMITATION ON NUMBER.—Subsection (b) of section 981 of title 10, United States Code, is amended by striking out "300" and inserting in lieu thereof "240".

(b) LIMITATION ON ASSIGNMENTS.—Section 981 of such title is amended by adding at the end the following new subsection:

"(c) An enlisted member may be assigned or otherwise detailed to duty as an enlisted aide on the personal staff of an officer only if the officer is serving in the position of a commander.".

(c) CONFORMING AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 981. Limitations on enlisted aides".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 is amended to read as follows:

"981. Limitations on enlisted aides.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 563. LIMITATION RELATING TO PERMANENT CHANGES OF STATIONS.

Of the funds appropriated to the Department of Defense for fiscal year 1993 for military personnel, not more than $2,863,110,000 is authorized to be made available for the costs of permanent changes of station.

SEC. 564. REDUCTIONS IN NUMBER OF PERSONNEL CARRYING OUT RECRUITING ACTIVITIES.

The average daily number of members of the Armed Forces serving on full-time active duty or full-time National Guard duty who, as a primary duty, carry out personnel recruiting activities during fiscal year 1994 may not exceed the number equal to 90 percent of the average daily number of members of the Armed Forces who, as a primary duty, carried out personnel recruiting activities while serving on full-time active duty or full-time National Guard duty during fiscal year 1992. The Secretary of Defense shall ensure that the number of such personnel who, as a primary duty, carry out such activities is reduced appropriately in fiscal year 1993 to achieve the reduction required for fiscal year 1994.

SEC. 565. JUNIOR RESERVE OFFICER TRAINING CORPS.

(a) REORGANIZATION OF TEXT.—Subsection (a) of section 2031 of title 10, United States Code, is amended by redesignating the first, second, and third sentences as paragraphs (1), (3), and (4), respectively.

(b) PURPOSE OF PROGRAM.—Subsection (a) of such section, as amended by subsection (a) of this section, is further amended by inserting after paragraph (1) the following new paragraph (2):

"(2) It is a purpose of the Junior Reserve Officers' Training Corps to instill in students in United States secondary educational institutions the values of citizenship, service to the United States, and personal responsibility, and an appreciation of self-worth.".

(c) INCREASED LIMITATION ON NUMBER OF UNITS.—Paragraph (3) of section 2031(a) of title 10, United States Code, as designated by subsection (a) of this section, is amended to read as follows:

"(3) The total number of units which may be established and maintained by all of the military departments under authority of this section may not exceed 3,500.".

(d) WAIVER OF PAY CONTRIBUTION BY SCHOOLS.—Section 2031(d)(1) of such title is amended by adding at the end the following: "The Secretary of the military department concerned may pay the entire additional amount to an institution if the Secretary determines that such action is in the national interest and in the interest of the community of that institution.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1993.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of

compensation of members of the uniformed services to become effective during fiscal year 1993 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective of January 1, 1993, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 3.7 percent.

SEC. 602. TEMPORARY RATES OF BASIC PAY FOR CERTAIN NONCOMMISSIONED OFFICERS AND WARRANT OFFICERS AND FOR CERTAIN COLONELS AND NAVY CAPTAINS.

(a) RATES OF PAY.—For months beginning after December 31, 1992, and before October 1, 1995, the rate of monthly basic pay for a member of the uniformed services (entitled to such pay under section 204 of title 37, United States Code) in pay grade E-7, E-8, E-9, W-4, W-5, or O-6 with over 24, but under 26, years of service (computed under section 205 of such title) shall be as follows:

(1) For pay grade E-7, $2,359.30.
(2) For pay grade E-8, $2,639.70.
(3) For pay grade E-9, $2,977.70.
(4) For pay grade W-4, $3,430.90.
(5) For pay grade W-5, $3,827.30.
(6) For pay grade O-6, $5,417.70.

(b) ADJUSTMENTS.—The rates of monthly basic pay established under subsection (a) shall be adjusted in accordance with section 1009 of title 37, United States Code.

SEC. 603. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) REENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(b) ENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(c) AVIATOR RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(d) EXTENSION OF BONUS AUTHORITIES FOR RESERVE ENLISTMENTS, REENLISTMENTS, AFFILIATIONS, AND EXTENSIONS.—Sections 308b(f), 308c(e), 308e(e), 308h(g), and 308i(i) of title 37, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(e) EXTENSION OF SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(f) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1993".

(g) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(h) NURSE CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(i) SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 30, 1992.

Subtitle B—Other Matters

SEC. 611. REQUIREMENT FOR PROPOSAL ON CONCURRENT PAYMENT OF RETIRED OR RETAINER PAY AND VETERANS' DISABILITY COMPENSATION.

The Secretary of Defense shall—

(1) submit to the congressional defense committees the Secretary's recommendations for legislation—

(A) to permit the concurrent payment to members and former members of the Armed Forces of full retired or retainer pay and full compensation for service-connected disabilities payable under laws administered by the Secretary of Veterans Affairs; or

(B) to ensure by some other means that members and former members of the Armed Forces entitled to retired or retainer pay are not financially penalized by being entitled to compensation for service-connected disabilities payable under such laws; and

(2) reserve in the legislative contingency fund of the Department of Defense a sufficient amount to ensure the concurrent payment of full retired or retainer pay to members and former members entitled to disability compensation referred to in paragraph (1) in fiscal year 1994 in the event that such legislation is enacted.

SEC. 612. EXPANSION OF REIMBURSABLE ADOPTION EXPENSES.

(a) DEPARTMENT OF DEFENSE PROGRAM.—Section 1052(g) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking out "through adoption or by" and inserting in lieu thereof "through adoption, by"; and

(ii) by inserting ", or through a private placement" before the period at the end; and

(B) by striking out the second sentence;

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

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

"(2) The term 'qualifying adoptions expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the armed forces is stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law."; and

(4) in paragraph (3), as redesignated by paragraph (2)—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2), transportation expenses relating to the adoption.".

(b) COAST GUARD PROGRAM.—Section 514(g) of title 14, United States Code, is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking out "through adoption or by" and inserting in lieu thereof "through adoption, by"; and

(ii) by inserting ", or through a private placement" before the period at the end; and

(B) by striking out the second sentence;

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

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

"(2) The term 'qualifying adoptions expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the Armed Forces is stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law."; and

(4) in paragraph (3), as redesignated by paragraph (2)—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2), transportation expenses relating to the adoption.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect as of October 1, 1990, and shall apply to qualifying adoption expenses incurred on or after that date for adoption proceedings initiated on or after that date.

SEC. 613. PROHIBITION ON THE ASSERTION OF LIENS ON PERSONAL PROPERTY BEING TRANSPORTED AT GOVERNMENT EXPENSE.

(a) TITLE 37.—Section 406 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(n) No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of baggage and

household goods being transported under this section.".

(b) TITLE 10.—Section 2634 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of a motor vehicle being transported under this section.".

SEC. 614. ADVANCE PAYMENTS IN CONNECTION WITH EVACUATIONS OF PERSONNEL.

(a) EXPANDED AUTHORITY.—Section 1006(c) of title 37, United States Code, is amended by striking out the first and second sentences and inserting in lieu thereof the following: "Under regulations prescribed by the Secretary concerned, an advance of pay to a member of a uniformed service who is on duty outside the United States, or other place designated by the President, of not more than 2 month's basic pay may be made to a member if the member or his dependents are ordered evacuated by competent authority. An advance of pay under this subsection is not subject to the conditions under which advances of pay may be made under subsection (a) or (b). An advance may be made on the basis of the evacuation of a member's dependents only if all dependents of members of the uniformed services are ordered evacuated from the place where the member's dependents are located. In the case of a member with dependents, the payment may be made directly to dependents previously designated by the member.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to evacuations on or after June 1, 1991.

SEC. 615. INCREASE IN RECOMPUTED RETIRED PAY FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.

(a) MEMBERS INITIALLY ACCESSED BEFORE SEPTEMBER 8, 1980.—Section 1402 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) In the case of a member who is entitled to recompute retired pay under this section upon release from active duty served after retiring under section 3914 or 8914 of this title, the member's retired pay as recomputed under another provision of this section shall be increased by 10 percent of the amount so recomputed if the member has been credited by the Secretary concerned with extraordinary heroism in the line of duty during any period of active duty service in the armed forces.

"(2) The amount of the retired pay as recomputed under another provision of this section and as increased under paragraph (1) may not exceed the amount equal to 75 percent of the monthly rate of basic pay upon which the recomputation of such retired pay is based.

"(3) The determination of the Secretary concerned as to extraordinary heroism is conclusive for all purposes.".

(b) MEMBERS INITIALLY ACCESSED AFTER SEPTEMBER 7, 1980.—Section 1402a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) ADDITIONAL 10 PERCENT FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.—(1) In the case of a member who is entitled to recompute retired pay under this section upon release from active duty served after retiring under section 3914 or 8914 of this title, the member's retired pay as recomputed under another provision of this section shall be increased by 10 percent of the amount so recomputed if the member has been credited by the Secretary concerned with extraordinary heroism in the line of duty during any period of active duty service in the armed forces.

"(2) The amount of the retired pay as recomputed under another provision of this section and as increased under paragraph (1) may not exceed the amount equal to 75 percent of the retired pay base upon which the recomputation of such retired pay is based.

"(3) The determination of the Secretary concerned as to extraordinary heroism is conclusive for all purposes.".

(c) PROSPECTIVE APPLICABILITY.—No benefits shall accrue for months beginning before the date of the enactment of this Act by reason of the amendments made by this section.

SEC. 616. AUTHORIZED BENEFITS UNDER SPECIAL SEPARATION BENEFITS PROGRAMS.

(a) TRAVEL AND TRANSPORTATION BENEFITS.—Subsection (b)(2)(B) of section 1174a of title 10, United States Code, is amended by inserting after "chapter 58 of this title" the following: ", sections 404 and 406 of title 37, and section 503(c) of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1558; 37 U.S.C. 406 note)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of December 5, 1991.

SEC. 617. RETIRED PAY FOR PERSONS WHO WERE RESERVES OF AN ARMED FORCE BEFORE AUGUST 16, 1945.

(a) ELIGIBILITY FOR RETIRED PAY FOR NONREGULAR SERVICE.—Section 1331(c) of title 10, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

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

"(3) he performed at least 20 years of service (computed under section 1332 of this title) after August 15, 1945.".

(b) EXCLUSION OF CERTAIN SERVICE FOR PURPOSES OF DETERMINING ENTITLEMENT FOR RETIRED PAY.—Section 1332(b) of such title is amended by adding at the end the following new paragraph:

"(8) Service before August 16, 1945, if eligibility for retired pay is based on section 1331(c)(3) of this title.".

(c) EXCLUSION OF CERTAIN SERVICE FOR PURPOSES OF COMPUTING RETIRED PAY.—Section 1333 of such title is amended—

(1) by striking out "For" and inserting in place thereof "(a) Except as provided in subsection (b), for"; and

(2) by adding the following new subsection:

"(b) Service before August 16, 1945, may not be counted under subsection (a) if eligibility for retired pay is based on section 1331(c)(3) of this title.".

SEC. 618. REFERENCES RELATING TO TRAVEL AND TRANSPORTATION BENEFITS.

Section 404(e) of title 37, United States Code, is amended—

(1) by striking out "Military Airlift Command" and inserting in lieu thereof "Air Mobility Command"; and

(2) by striking out "or Naval Aircraft Ferrying Squadrons," and inserting in lieu thereof "Naval Aircraft Ferrying Squadrons, or any other unit determined by the Secretary concerned to be performing duties similar to the duties performed by such command or squadrons,".

SEC. 619. SUBSISTENCE REIMBURSEMENT RELATING TO ESCORTS OF FOREIGN ARMS CONTROL INSPECTION TEAMS.

(a) TRAVEL ALLOWANCE.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 434. Subsistence reimbursement relating to escorts of foreign arms control inspection teams

"(a) Under uniform regulations prescribed by the Secretaries concerned, a member of the armed forces may be reimbursed for the reasonable cost of subsistence incurred by the member while performing duties as an escort of an arms control inspection team of a foreign country, or any member of such a team, while the team or the team member, as the case may be, is engaged in activities related to the implementation of an arms control treaty or agreement.

"(b) The authority under subsection (a) applies to the period during which the inspection team, pursuant to authority specifically provided in the applicable arms control treaty or agreement, is in the country where inspections and related activities are being conducted by the team pursuant to that treaty or agreement.

"(c) The authority under subsection (a) applies to a member of the armed forces whether the duties referred to in that subsection are performed at, near, or away from the member's permanent duty station.".

(2) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end the following new item:

"434. Subsistence reimbursement relating to escorts of foreign arms control inspection teams.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to duty performed on or after the date of the enactment of this Act.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. APPOINTMENT OF CHIROPRACTORS AS COMMISSIONED OFFICERS.

(a) ARMY.—(1) Section 3068(a)(5) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of subparagraph (D);

(B) by redesignating subparagraph (E) as subparagraph (F); and

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

"(E) the Chiropractic Section; and".

(2)(A) Chapter 335 of title 10, United States Code, is amended by inserting after section 3283 the following new section 3284:

"§ 3284. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Army may be appointed a regular commissioned officer in the Medical Service Corps of the Army.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3283 the following new item:

"3284. Appointment of chiropractors as commissioned officers.".

(3)(A) Chapter 337 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3397. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Army may be appointed a reserve commissioned officer in the Medical Service Corps of the Army.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3396 the following new item:

"3397. Appointment of chiropractors as commissioned officers.".

(b) NAVY.—(1) Chapter 539 of such title is amended by inserting after the table of sections for such chapter the following new section 5571:

"§ 5571. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Navy may be appointed a regular commissioned officer or a reserve commissioned officer in the Medical Corps of the Navy.".

(2) The table of sections at the beginning of such chapter is amended by inserting above the item relating to section 5582 the following new item:

"5571. Appointment of chiropractors as commissioned officers.".

(c) AIR FORCE.—(1) Section 8067 of such title is amended—

(A) by redesignating subsections (g), (h), and (i) as subsections (h), (i), and (j), respectively; and

(B) by inserting after subsection (f) the following new subsection (g):

"(g) Chiropractic functions in the Air Force shall be performed by commissioned officers of the Air Force who are qualified under regulations prescribed by the Secretary and who are designated as chiropractic officers.".

(2)(A) Chapter 835 of title 10, United States Code, is amended by inserting after section 8281 the following new section 8284:

"§ 8284. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Air Force may be appointed a regular commissioned officer in the Air Force for designation as a chiropractic officer.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8281 the following new item:

"8284. Appointment of chiropractors as commissioned officers.".

(3)(A) Chapter 837 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8397. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Air Force may be appointed a reserve commissioned officer in the Air Force for designation as a chiropractic officer.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8396 the following new item:

"8397. Appointment of chiropractors as commissioned officers.".

(4) Section 8579 of such title is amended—

(A) by striking out "or biomedical sciences officer" and inserting in lieu thereof "biomedical sciences, or chiropractic officer"; and

(B) by striking out "or (i) of section 8067" and inserting in lieu thereof "(g), or (j) of section 8067".

(5) Section 8848(b) of such title is amended by striking out "section 8067 (a)–(d) or (g)–(i)" and inserting in lieu thereof "any of subsections (a) through (d) or (g) through (j) of section 8067".

SEC. 702. REVISIONS TO DEPENDENTS' DENTAL PROGRAM UNDER CHAMPUS.

(a) REPEAL OF AUTHORITY TO ESTABLISH SUPPLEMENTAL PLANS.—Section 1076a of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "and supplemental" in the first sentence; and

(B) by striking out the last sentence;

(2) in subsection (b), by striking out paragraph (3);

(3) in subsection (d)—

(A) by striking out paragraph (2);

(B) by striking out "(1)" before "A basic"; and

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

(4) by striking out subsection (e) and inserting in lieu thereof the following:

"(e) COPAYMENTS.—A member whose spouse or child receives care under a basic dental benefits plan shall—

"(1) pay no charge for care described in subsection (d)(1); and

"(2) pay 20 percent of the charges for care described in subsection (d)(2).".

(b) PREMIUM INCREASE.—Subsection (b)(2) of such section is amended by striking out "$10" and inserting in lieu thereof "$20".

(c) IMPROVEMENT IN BENEFITS.—Subsection (d) of such section, as amended by subsection (a)(3) of this section, is further amended by adding at the end the following new paragraph:

"(3) Orthodontic services, crowns, gold fillings, bridges, and complete or partial dentures.".

(d) COPAYMENT FOR ADDITIONAL BENEFITS.—Subsection (e) of such section, as amended by subsection (a)(4) of this section, is further amended—

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

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

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

"(3) pay a percentage of the charges for care described in subsection (d)(3) that is determined appropriate by the Secretary of Defense, after consultation with the other administering Secretaries.".

(e) PROGRAM OF IMPROVED DEPENDENTS' DENTAL BENEFITS.—(1) The Secretary of Defense, after consulting with the other administering Secretaries, shall devise and implement a program for the improvement of the provision of dental benefits to dependents of members of the Armed Forces under the Civilian Health and Medical Program of the Uniformed Services.

(2) In this subsection:

(A) The term "administering Secretaries" has the meaning given such term in section 1072(3) of title 10, United States Code.

(B) The term "Civilian Health and Medical Program of the Uniformed Services" has the meaning given that term in section 1072(4) of such title.

(3) Of the funds authorized to be appropriated in section 301, $80,000,000 shall be available to the Secretary of Defense for carrying out paragraph (1).

(f) EFFECTIVE DATES AND SAVINGS PROVISION.—(1) The amendments made by subsections (a) and (b) shall take effect on the first day of the first month that begins after the date of the enactment of this Act. The amendments made by subsections (c) and (d) shall take effect on the date of the enactment of this Act.

(2) Spouses and children who, on the day before the date of the enactment of this Act, are covered by enrollments in supplemental dental benefits plans established under section 1076a of title 10, United States Code, may continue to receive benefits under such plan until the first day of the sixth month that begins after such date, subject to the premium requirement provided in paragraph (3) of section 1076a of title 10, United States Code, as such paragraph was in effect on the day before the effective date of the amendments made by subsection (a).

SEC. 703. SENSE OF CONGRESS REGARDING HEALTH CARE POLICY FOR THE UNIFORMED SERVICES.

It is the sense of Congress that—

(1) members and former members of the uniformed services, and their dependents and survivors, should have access to health care under the health care delivery system of the uniformed services regardless of the age or health care status of the person seeking the health care;

(2) such health care delivery system should include a comprehensive managed care plan;

(3) the comprehensive managed care plan should involve medical personnel of the uniformed services (including reserve component personnel), civilian health care professionals of the executive agency of such uniformed services, medical treatment facilities of the uniformed services, contract health care personnel, and the medicare system;

(4) the Secretary of Defense, the Secretary of Health and Human Services, and the Secretary of Transportation should continue to provide active duty personnel of the uniformed services with free care in medical treatment facilities of the uniformed services and to provide the other personnel referred to in paragraph (1) with health care at minimal cost to the recipients of the care; and

(5) the Secretaries referred to in paragraph (4) should offer additional health care options to the personnel referred to in paragraph (1) including, in the case of persons eligible for medicare under title XVIII of the Social Security Act, options providing for—

(A) the reimbursement of the Department of Defense by the Secretary of Health and Human Services for health care services provided such personnel at medical treatment facilities of the Department of Defense; and

(B) the sharing of the payment of the costs of contract health care by the Department of Defense and the Department of Health and Human Services, with one such department being the primary payer of such costs and the other such department being the secondary payer of such costs.

SEC. 704. MILITARY HEALTH CARE FOR PERSONS RELIANT ON HEALTH CARE FACILITIES AT BASES BEING CLOSED AND REALIGNED.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a joint services working group on the provision of military health care to persons who rely for health care on health care facilities at military installations being closed or realigned.

(b) MEMBERSHIP.—The members of the working group shall include the Assistant Secretary of Defense for Health Affairs, the Surgeon General of the Army, the Surgeon General of the Navy, the Surgeon General of the Air Force, or a designee of each such person, and one independent member appointed by the Secretary of Defense from among private citizens whose interest in matters within the responsibility of the working group qualify that person to represent all personnel entitled to health care under chapter 55 of title 10, United States Code.

(c) DUTIES.—(1) In the case of each closure or realignment of a military installation that will adversely affect the accessibility of health care in a facility of the uniformed services for persons entitled to such health care under chapter 55 of title 10, United States Code, the working group shall solicit

the views of such persons regarding suitable substitutes for the furnishing of health care to those persons under that chapter.

(2) In carrying out paragraph (1), the working group—

(A) shall conduct meetings with persons referred to in that paragraph, or representatives of such persons;

(B) may use reliable sampling techniques;

(C) shall visit the areas where closures and realignments of military installations will adversely affect the accessibility of health care in a facility of the uniformed services for persons referred to in paragraph (1) and shall conduct public meetings; and

(D) shall ensure that members of the uniformed services on active duty, members and former members of the uniformed services entitled to retired or retainer pay, and dependents and survivors of such members and retired personnel are afforded the opportunity to express views.

(d) RECOMMENDATIONS.—With respect to each closure and realignment of a military installation referred to in subsection (c), the working group shall submit to the Congress and the Secretary of Defense the working group's recommendations regarding the alternative means for continuing to provide accessible health care under chapter 55 of title 10, United States Code, to persons referred to in that subsection.

(e) APPLICATION OF ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the joint services working group established pursuant to this section.

SEC. 705. PROGRAMS RELATING TO THE SALE OF PHARMACEUTICALS.

(a) PHARMACEUTICALS BY MAIL.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the administering Secretaries, shall—

(1) establish a program that permits eligible persons to obtain prescription pharmaceuticals by mail in connection with medical care furnished to such persons under chapter 55 of title 10, United States Code; and

(2) conduct the program in two or more regions selected by the Secretary, each of which consists of two or more States.

(b) RETAIL PHARMACY NETWORK.—(1) Not later than 18 months after such date, the Secretary of Defense, in consultation with the administering Secretaries, shall carry out the demonstration project described in paragraph (2).

(2) Under the demonstration project, the Secretary shall enter into one or more contracts or otherwise provide for the supply of prescription pharmaceuticals to eligible persons through a network of local retail pharmacies. The Secretary shall carry out the demonstration project in a region (selected by the Secretary) consisting of two or more States.

(c) ELIGIBLE PERSONS.—A person eligible to obtain pharmaceuticals under the program under subsection (a) or the demonstration project under subsection (b) is any person living in a State covered by the program or project who—

(1) is entitled to medical care under a contract for medical care entered into by the Secretary of Defense under section 1079 or 1086 of title 10, United States Code; or

(2) is over 65 years of age and resides in an area (as determined by the Secretary) that is affected by the closure of a health care facility of the uniformed services as a result of the closure or realignment of the military installation at which such facility is located.

(d) PURCHASE FEES.—(1) The Secretary of Defense, in consultation with the administering Secretaries, shall determine for the program and the demonstration project—

(A) subject to paragraph (2), the pharmaceuticals that may be obtained by eligible persons under the program or the demonstration project; and

(B) an appropriate fee, charge, or copayment to be paid by such persons for such pharmaceuticals obtained under the program or demonstration project.

(2) The Secretary shall, to the maximum extent practicable, ensure that the pharmaceuticals obtained under the program and the project are generic pharmaceuticals. The Secretary may provide that name brand pharmaceuticals be obtained in such circumstances as the Secretary of Defense determines appropriate.

(e) REPORT.—Not later than 2 years after the establishment of the program under subsection (a) and the demonstration project under subsection (b), the Secretary of Defense shall submit to Congress a report on the following:

(1) In the case of the program, the results of the program, recommendations, if any, for revision of the program, and a plan (including a schedule) for implementing the program throughout the United States.

(2) In the case of the demonstration project, the results of the project and the recommendations of the Secretary with respect to the advisability of making the project permanent.

(f) DEFINITIONS.—In this section, the terms "uniformed services" and "administering Secretaries" have the meanings given those terms in section 1072 of title 10, United States Code.

SEC. 706. ANNUAL BENEFICIARY SURVEY.

The administering Secretaries referred to in section 1072 of title 10, United States Code, shall conduct annually a formal survey of persons receiving health care under chapter 55 of such title in order to determine the following:

(1) The availability of health care services to such persons through the health care system provided for under that chapter, the types of services received, and the facilities in which the services were provided.

(2) The familiarity of such persons with the services available under that system and with the facilities in which such services are provided.

(3) The health of such persons.

(4) The level of satisfaction of such persons with that system and the quality of the health care provided through that system.

(5) Such others matters as the administering Secretaries determine appropriate.

SEC. 707. MAXIMUM ANNUAL AMOUNT FOR DEDUCTIBLES AND COPAYMENTS.

(a) REDUCED MAXIMUM ANNUAL AMOUNT.—Section 1086(b)(4) of title 10, United States Code, is amended by striking out "$10,000" and inserting in lieu thereof "$7,500".

(b) APPLICABILITY AFTER FISCAL YEAR 1992.—The amendment made by subsection (a) shall apply with respect to fiscal years beginning after September 30, 1992.

SEC. 708. CONTINUATION OF CHAMPUS COVERAGE FOR CERTAIN MEDICARE PARTICIPANTS.

(a) INCLUSION OF END STAGE RENAL DISEASE PATIENTS.—Section 1086(d)(2)(A) of title 10, United States Code, is amended by inserting before the semicolon the following: "or section 226A(a) of such Act (42 U.S.C. 426-1(a))".

(b) COVERAGE OF CARE PROVIDED SINCE SEPTEMBER 30, 1991.—The amendment made by subsection (a), and the amendment made by section 704(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401), shall apply with respect to health care benefits or services received after September 30, 1991, by a person described in subsection (d)(2) of section 1086 of title 10, United States Code, if such benefits or services would have been covered under a plan contracted for under such section 1086.

(c) CONFORMING AMENDMENTS.—(1) Section 704 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401) is amended by striking out subsection (c).

(2) Section 8097 of the Department of Defense Appropriations Act, 1992 (Public Law 102-172; 105 Stat. 1197), is repealed.

SEC. 709. HOME HEALTH SERVICES UNDER CHAMPUS.

(a) ELIGIBILITY.—Section 1079(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (15):

(2) by striking out the period at the end of paragraph (16) and inserting in lieu thereof "; or"; and

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

"(17) home health services and other services (including services described in paragraphs (1) through (16)) in connection with extraordinary physical or psychological conditions may be provided only through a program of individualized case management established by the Secretary of Defense and in a manner determined (under regulations prescribed by the Secretary) to be cost-effective and appropriate.".

(b) CONFORMING AMENDMENT.—Section 1077 of such title is amended—

(1) by adding at the end of subsection (a) the following new paragraph:

"(15) Home health services."; and

(2) in subsection (b), by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (a)(15), the following".

SEC. 710. STUDY ON RISK-SHARING CONTRACTS FOR HEALTH CARE.

Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall—

(1) carry out a study of the feasibility and advisability of entering into risk-sharing contracts with eligible organizations described in section 1876 of the Social Security Act (42 U.S.C. 1395mm) to furnish health care services to persons entitled to health care in a facility of a uniformed service under section 1074(b) or 1076(b) of title 10, United States Code;

(2) if the Secretary determines that entry into such contracts is feasible and advisable, develop a plan for the entry into such contracts in accordance with the Secretary's determinations under the study; and

(3) submit to Congress a report on the results of the study and on the plan.

SEC. 711. COMPREHENSIVE STUDY OF THE MILITARY MEDICAL CARE SYSTEM.

Section 733 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 1071 note) is amended—

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

"(3) A comprehensive review of the Federal employees health benefits program under chapter 89 of title 5, United States Code, in order to determine whether furnishing health care under a similar program to persons entitled to health care under chapter 55 of title 10, United States Code, would result in the effective provision of health care to such persons and would be cost effective."; and

(2) in subsection (d)—

(A) by redesignating paragraph (12) as paragraph (13); and

(B) by inserting after paragraph (11) the following new paragraph (12):

"(12) A discussion of the results of the review under subsection (b)(3) and the Secretary's recommendations of the basis of those results.".

SEC. 712. NATIONAL CLAIMS PROCESSING CENTER FOR CHAMPUS.

(a) REQUIREMENT.—(1) The Secretary of Defense, in consultation with the administering Secretaries, shall provide by contract for the operation of a claims processing center to be known as the "National Centralized Claims Processing System for CHAMPUS". The contract shall provide for the center to commence operations not later than 5 years after the date of the enactment of this Act.

(2) The Secretary shall use competitive procedures for entering into the contract under paragraph (1).

(b) CENTER ACTIVITIES.—The claims processing center shall—

(1) maintain in electronic and written form appropriate information on health care services provided to covered beneficiaries by or through third parties under CHAMPUS or any alternative CHAMPUS program or demonstration project, including information on—

(A) the services to which such beneficiaries are entitled or eligible under an insurance plan, medical service plan, or health plan under CHAMPUS;

(B) the insurers, medical services, or health plans that provide such services; and

(C) the services available to beneficiaries under each insurance plan, medical service plan, or health plan, and the payment required of the beneficiaries and the insurer, medical service, or health plan for such services under the plan;

(2) receive in electronic or written form claims submitted by insurers, medical services, and health plans for services provided to covered beneficiaries;

(3) process, adjudicate, and pay (by electronic or other means) such claims; and

(4) provide the information described in paragraphs (1) and (2) and information on the matters referred to in paragraph (3) by telephone or other electronic means to covered beneficiaries, insurers, medical services, and health plans.

(c) ADDITIONAL REQUIREMENT.—The Secretary shall ensure, to the maximum extent practicable, that claims submitted as described in subsection (b)(2) conform to the requirements applicable to claims submitted to the Secretary of Health and Human Services with respect to medical care provided under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

(d) IDENTIFICATION CARD.—The Secretary shall take appropriate actions to determine whether the use by covered beneficiaries of a standard identification card containing electronically readable information will enhance the capability of the claims processing center to carry out the matters set forth in subsection (b).

(e) DEFINITIONS.—In this section:

(1) The terms "administering Secretaries" and "covered beneficiary" have the meanings given such terms in paragraphs (3) and (5) of section 1072 of title 10, United States Code, respectively.

(2) The term "CHAMPUS" means the Civilian Health and Medical Program of the Uniformed Services, as defined in paragraph (4) of that section.

SEC. 713. ALTERNATIVE HEALTH CARE DELIVERY METHODOLOGIES.

(a) CONTINUATION OF HEALTH CARE REFORM INITIATIVES.—(1) During fiscal years 1993 through 1996, the Secretary of Defense shall continue to test a broad array of reform options for furnishing health care to persons who are eligible to receive health care under chapter 55 of title 10, United States Code.

(2) The health care reform options tested in accordance with paragraph (1) shall include CHAMPUS alternatives, the CHAMPUS Reform Initiative, catchment area management, coordinated care, and such other options as the Secretary of Defense considers appropriate.

(3) During fiscal year 1994, the Secretary shall conduct a study of the health care reform options tested as described in paragraph (1). The study shall compare the cost effectiveness of such options and the extent to which the persons who received health care under those options are satisfied with that health care. The Secretary shall report the results of the study to Congress.

(b) CONTINUATION OF CHAMPUS REFORM INITIATIVE IN HAWAII AND CALIFORNIA.—(1) The Secretary of Defense shall ensure that a replacement or successor contract for the CHAMPUS Reform Initiative contract applicable to California and Hawaii is awarded in sufficient time for the contractor to begin to provide health care in California and Hawaii under the replacement or successor contract not later than August 1, 1993.

(2) The Secretary shall use competitive procedures for awarding a replacement or successor contract under paragraph (1).

(3)(A) Not later than June 1, 1994, the Secretary of Defense shall provide by contract for a person outside the Federal Government to perform an evaluation of the conduct of the CHAMPUS Reform Initiative in Hawaii and California. The evaluation shall cover each of the fiscal years during which the initiative is carried out in such States under the replacement or successor contract referred to in paragraph (1) and under the predecessor contracts. The evaluation shall include a comparison of the cost savings and claims experience resulting in each such fiscal year from carrying out the initiative in such States.

(B) Not later than 1 year after the date on which the contract for evaluation is entered into under subparagraph (A), the person making the evaluation shall submit to the Secretary of Defense and to Congress a report on the results of the evaluation.

(c) INCLUSION OF POSITIVE INCENTIVES FOR ENROLLMENT UNDER THE COORDINATED CARE PROGRAM.—(1) The Secretary of Defense shall modify the Policy Guidelines on the Department of Defense Coordinated Care Program to provide covered beneficiaries with additional positive incentives to enroll in the coordinated care program of the Department of Defense.

(2) The incentives may include—

(A) a reduction of the copayment and deductibles prescribed under sections 1079 and 1086 of title 10, United States Code, for covered beneficiaries who enroll in the coordinated care program;

(B) alternative cost-sharing requirements for certain types of care; and

(C) an expansion of the benefits provided under the coordinated care program beyond the benefits authorized under CHAMPUS.

(2) The modifications required under paragraph (1) shall permit health care demonstration projects in existence on the date of the enactment of this Act (including the CHAMPUS Reform Initiative, the catchment area management projects, the CHAMPUS select fiscal intermediary program in the Southeast Region, and the managed health care programs established in the Tidewater region of Virginia) and future managed care health care incentives undertaken by the Department of Defense to offer covered beneficiaries not enrolled in the coordinated care program the opportunity to use a preferred provider network of health care providers.

(3) In determining what level and types of positive incentives are likely to induce covered beneficiaries to enroll in the coordinated care program, the Secretary shall take into consideration the extent to which covered beneficiaries not enrolled in the program are permitted to choose health care providers without prior referral or approval.

(4) Subject to the availability of space and facilities and the capabilities of the medical or dental staff, the Secretary of Defense may not deny access to military treatment facilities to covered beneficiaries who do not enroll in the coordinated care program. However, the Secretary may establish reasonable admission preferences for covered beneficiaries enrolled in the program as an incentive to encourage enrollment.

(d) DEFINITIONS.—In this section:

(1) The term "CHAMPUS" has the meaning given the term "Civilian Health and Medical Program of the Uniformed Services", as defined in section 1072(4) of title 10, United States Code.

(2) The term "covered beneficiary" has the meaning given that term in section 1072(5) of such title.

(3) The term "CHAMPUS Reform Initiative" has the meaning given that term in section 702(d)(1) of the Department of Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note).

(4) The term "catchment area management" means the methodology provided for demonstration in accordance with section 731 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (10 U.S.C. 1092 note).

(5) The term "Policy Guidelines on the Department of Defense Coordinated Care Program" means the Policy Guidelines on the Department of Defense Coordinated Care Program that were issued by the Assistant Secretary of Defense for Health Affairs on January 8, 1992.

SEC. 714. MEDICAL AND DENTAL CARE FOR CERTAIN INCAPACITATED DEPENDENTS.

(a) EXCLUSION OF CERTAIN INCAPACITATED DEPENDENTS FROM CHAMPUS COVERAGE.—Section 1086(c) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "and 1072(2)(I)" after "section 1072(2)(E)"; and

(2) in paragraph (2), by inserting "or 1072(2)(I)" after "section 1072(E)".

(b) APPLICABILITY OF EXCLUSION.—Section 1072(2) of title 10, United States Code, is amended—

(1) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) an unmarried legitimate child, including an adopted child or stepchild, who—

"(i) has not passed his twenty-first birthday;

"(ii) has not passed his twenty-third birthday, is enrolled in a full-time course of study at an institution of higher learning approved by the administering Secretary and is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support; or

"(iii) is incapable of self-support because of a mental or physical incapacity that occurs while a dependent of a member or former member under clause (i) or (ii) and is, or was

at the time of the member's or former member's death, in fact dependent on him for over one-half of his support;";

(2) by striking out "and" at the end of subparagraph (G);

(3) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof a semicolon and "and"; and

(4) by inserting after subparagraph (H) the following new subparagraph:

"(I) an unmarried legitimate child, including an adopted child or stepchild, who is incapable of self-support because of a mental or physical incapacity that did not exist while the child was a dependent of a member or former member under subparagraph (D)(i) or (D)(ii) and is, or was at the time of the member's or former member's death, dependent on him for over one-half of his support.".

SEC. 715. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074c the following new section:

"§ 1074d. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074c the following new item:

"1074d. Reproductive health services in medical facilities of the uniformed services outside the United States.".

DEFENSE CONVERSION AND TRANSITION ASSISTANCE ACT

The text of the original bill (S. 3139) to improve the defense economic diversification, conversion, and stabilization activities of the Department of Defense; to authorize transition assistance for members of the Armed Forces adversely affected by reductions in Federal Government spending for national security functions; to clarify and improve the policies and programs of the Department of Defense concerning the national defense technology and industrial base, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 3139

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 "Defense Conversion and Transition Assistance Act of 1992".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE III—OPERATION AND MAINTENANCE

Subtitle C—Defense Economic Diversification, Conversion, and Stabilization

SEC. 331. REVISION OF AUTHORITIES RELATING TO THE ECONOMIC ADJUSTMENT COMMITTEE.

(a) PERMANENT CHAIRMAN.—Subsection (b) of section 4004 of the Defense Economic Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101-510; 10 U.S.C. 2391 note) is amended to read as follows:

"(b) CHAIRMAN.—The Secretary of Defense shall be the Chairman of the Committee.".

(b) EXECUTIVE COUNCIL.—Section 4004 of such Act is further amended—

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

(2) by adding after subsection (b) the following new subsection (c):

"(c) EXECUTIVE COUNCIL.—The Chairman shall establish an Executive Council of the Committee from appropriate representatives of the Department of Defense, the Department of Commerce, the Department of Labor, and the Small Business Administration. Under the direction of the Chairman, the Executive Council shall develop policies and procedures to ensure that communities, businesses, and workers substantially and seriously affected by reductions in defense expenditures are advised of the assistance available to such communities, businesses, and workers under programs administered by such departments and that agency.".

(c) NOTIFICATION OF ECONOMIC ADJUSTMENT PLANNING.—Section 4101(a) of such Act is amended—

(1) by striking out paragraph (1);

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

(3) by striking out "or" at the end of paragraph (1) (as so redesignated);

(4) by striking out the period at the end of paragraph (2) (as so redesignated) and inserting in lieu thereof "; or"; and

(5) by adding at the end the following new paragraph (3):

"(3) the lack of any follow-on contracts or other defense-related contract activity.".

SEC. 332. AUTHORIZATIONS OF APPROPRIATIONS FOR CERTAIN DEFENSE STABILIZATION ACTIVITIES.

(a) ASSISTANCE THROUGH THE ECONOMIC DEVELOPMENT ADMINISTRATION.—Section 4103(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2391 note) is amended by inserting "and for fiscal year 1993 $150,000,000" after "$50,000,000".

(b) DEFENSE CONVERSION ADJUSTMENT.—Section 4203(a) of such Act (10 U.S.C. 2391 note) is amended by inserting "and $50,000,000 for fiscal year 1993" after "fiscal year 1991".

SEC. 333. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Defense, in consultation with the Secretary of Education, shall provide financial assistance to local educational agencies in States as provided in this section.

(b) SCHOOLS WITH SIGNIFICANT NUMBERS OF MILITARY DEPENDENT STUDENTS.—(1) The Secretary of Defense shall provide financial assistance to an eligible local educational agency if, without such assistance, that agency will be unable (as determined by the Secretary of Defense in consultation with the Secretary of Education) to provide the students in the schools of the agency with a level of education that is equivalent to the minimum level of education available in the schools of the other local educational agencies in the same State.

(2) A local educational agency is eligible for assistance under this subsection for a fiscal year if—

(A) at least 30 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools of that agency in that fiscal year are military dependent students described in section 3(a) or 3(b) of Public Law 81-874 (20 U.S.C. 238(a)); or

(B) by reason of a consolidation or reorganization of local educational agencies, the local educational agency is a successor of a local educational agency that, for fiscal year 1992—

(i) was eligible to receive payments in accordance with Department of Defense Instruction 1342.18, dated June 3, 1991; and

(ii) satisfied the requirement in subparagraph (A).

(c) ADJUSTMENT PAYMENTS RELATED TO BASE CLOSURES AND REALIGNMENTS.—To assist communities in making adjustments resulting from reductions in the size of the Armed Forces, the Secretary of Defense shall transfer to the Secretary of Education funds to make payments to local educational agencies that are entitled to receive under section 3 of Public Law 81-874 (20 U.S.C. 238) payments adjusted in accordance with subsection (e) of such section by reason of conditions described in subparagraphs (A) through (C) of paragraph (1) of such subsection that result from closures and realignments of military installations.

(d) REPORT ON IMPACT OF BASE CLOSURES ON EDUCATIONAL AGENCIES.—(1) Not later than February 15 of each of 1993, 1994, and 1995, the Secretary of Defense, in consultation with the Secretary of Education, shall submit to Congress a report on the local educational agencies affected by the closures and realignment of military installations and by redeployments of members of the Armed Forces.

(2) Each report shall contain the following:

(A) The number of dependent children of members of the Armed Forces or civilian employees of the Department of Defense who entered the schools of the local educational agencies during the preceding school year as a result of closures, realignments, or redeployments.

(B) The number of dependent children of such members or employees who withdrew from the schools of the local educational agencies during that school year as a result of closures, realignments, or redeployments.

(C) The amounts paid to the local educational agencies during that year under Public Law 81-874 (20 U.S.C. 236 et seq.) or any other provision of law authorizing the payment of financial assistance to local

communities or local educational agencies on the basis of the presence of dependent children of such members or employees in such communities and in the schools of such agencies.

(D) The projected transfers of such members and employees in connection with closures, realignments, and redeployments during the 12-month period beginning on the date of the report, including—

(i) the installations to be closed or realigned;

(ii) the installations to which personnel will be transferred as a result of closures, realignments, and redeployments; and

(iii) the effects of such transfers on the number of dependent children who will be included in determinations with respect to the payment of funds to each affected local educational agency under subsections (a) and (b) of section 3 of Public Law 81-874 (20 U.S.C. 238).

(e) DEFINITIONS.—In this section:

(1) The term "local education agency" has the meaning given that term in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)).

(2) The term "State" has the meaning given that term in section 3(d)(3)(D)(i) of Public Law 81-874 (20 U.S.C. 238(d)(3)(D)(i)).

(3) The term "military dependent student" means a student that is a dependent child of a member of the Armed Forces.

(f) FUNDING.—Of the amounts appropriated for the Department of Defense for operation and maintenance in fiscal year 1993 pursuant to the authorization of appropriations in section 301—

(1) $50,000,000 shall be available for providing assistance to local educational agencies under subsection (b); and

(2) $8,000,000 shall be available for making payments to local educational agencies under subsection (c).

SEC. 334. IMPACT AID.

Section 3(e)(1) of Public Law 81-874 (20 U.S.C. 238(e)(1)) is amended in the matter following subparagraph (C) by inserting "shall not be less than 100 percent of the payment such agency received under subsections (a) and (b) for the preceding fiscal year," after "for such fiscal year".

SEC. 335. EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS.

(a) USE OF FUNDS.—Section 325(c) of such Act (29 U.S.C. 1662d(c)) is amended to read as follows:

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—Grants made under subsection (a) may be used for any purpose for which funds may be used under section 314 or this part.

"(2) RESERVATION.—

"(A) IN GENERAL.—The Secretary shall reserve at least 10 percent of the funds appropriated to carry out this section for the purpose of making grants to States under subsection (a) to provide the reimbursement described in subparagraph (B).

"(B) REIMBURSEMENT.—A grant described in subparagraph (A) may be used to reimburse a State for the funds reserved by the State, pursuant to section 302(c), that—

"(i) are expended for rapid response assistance and basic readjustment services (not including support services) described in paragraphs (1) and (2) of section 314(a), respectively; and

"(ii) are delivered to eligible dislocated workers adversely affected by reductions in expenditures by the United States for defense or by closures of United States military installations, as determined in accordance with regulations of the Secretary of Defense.".

(b) NOTICE REQUIREMENTS.—Section 325 of such Act (42 U.S.C. 1662d) is amended by adding at the end the following new subsections:

"(e) NOTICE REQUIREMENTS.—

"(1) SECRETARY OF DEFENSE NOTICE REQUIREMENT.—To the extent practicable, the Secretary of Defense shall provide 6 months advance notice to a defense contractor of any cancellation of, or substantial reduction in, a defense contract, that will adversely affect the defense contractor.

"(2) DEFENSE CONTRACTOR NOTICE REQUIREMENT.—Not later than 2 weeks after a defense contractor receives notice under paragraph (1) of the cancellation of, or substantial reduction in, a defense contract, the contractor shall provide notice of such cancellation or substantial reduction to—

"(A)(i) each representative of employees whose work is directly related to the contract that is being canceled or substantially reduced and who are employed by the defense contractor; or

"(ii) if there is no such representative at that time, each such employee;

"(B) the State dislocated worker unit or office described in section 311(b)(2) and the chief elected official of the unit of general local government within which such adverse effect may occur.

"(3) CONSTRUCTIVE NOTICE OF TERMINATION FOR EMPLOYEES.—The notice provided under paragraph (2)(A) to the employees of a defense contractor shall be considered to be notice of termination to the employees for the purposes of determining whether such employees are eligible dislocated workers under this title, except where the employer has specified that the loss of such contract is not likely to result in plant closure or mass layoff. Any employee considered to be such a worker solely on the basis of such notice shall be eligible to receive services under section 314(b) and under paragraphs (1) through (14) of section 314(c).

"(4) DEFENSE CONTRACTOR.—For purposes of this subsection, the term 'defense contractor' means a private person producing goods or services pursuant to—

"(A) one or more defense contracts for not less than $500,000 entered into with the Department of Defense; or

"(B) one or more subcontracts—

"(i) entered into in connection with a defense contract; and

"(ii) for a total amount of not less than $500,000.".

SEC. 336. POLICY TO EXPEDITE ASSISTANCE.

(a) TRANSFERS.—In each case in which the Secretary of Defense is required under this Act or an amendment made by this Act to transfer funds to another department or agency of the Federal Government for the purpose of funding programs that provide assistance to recipients adversely affected by reduced spending by the Department of Defense, including communities and local educational agencies adversely affected by closures and realignments of military installations, and in each case in which the Secretary is authorized to make such a transfer and exercises the authority to do so, the Secretary shall make the transfer as expeditiously as is practicable.

(b) SPENDING.—In each case in which the Secretary of Defense is required under this Act or an amendment made by this Act to provide assistance to recipients adversely affected by reduced spending by the Department of Defense, including communities and local educational agencies adversely affected by closures and realignments of military installations, and in each case in which the Secretary is authorized to provide that assistance and exercises the authority to do so, the Secretary shall make the funds available for providing that assistance as expeditiously as is practicable. The Secretary shall expedite the processing of applications and other requests for such assistance, including applications for grants.

SEC. 337. ECONOMIC ADJUSTMENT PLANNING ASSISTANCE.

Notwithstanding any other provision of law, of the amount authorized to be appropriated to the Department of Defense for fiscal year 1993 for the Office of Economic Adjustment, 10 percent of such amount shall be available for providing financial assistance for economic adjustment planning in geographic areas in which a substantial portion of the economic activity or the population is dependent on Department of Defense expenditures, as determined by the Secretary of Defense.

Subtitle D—Department of Defense Civilian Personnel Transition Initiatives

SEC. 341. REEMPLOYMENT IN THE COMPETITIVE SERVICE.

(a) REEMPLOYMENT AFTER REDUCTION IN FORCE.—Subchapter I of chapter 35 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 3505. Reemployment after reduction in force for certain employees

"(a) For purposes of this section, the term—

"(1) 'employee' means an employee of the Department of Defense, including each military department, serving under an appointment without time limitation, who has been currently employed for a continuous period of at least 12 months; and

"(2) 'Secretary concerned' means—

"(A) the Secretary of the Army with respect to employees of the Department of the Army;

"(B) the Secretary of the Navy with respect to employees of the Department of the Navy;

"(C) the Secretary of the Air Force with respect to employees of the Department of the Air Force; and

"(D) the Secretary of Defense with respect to all other employees of the Department of Defense.

"(b) Subject to the provisions of subsection (c), if the Secretary concerned separates an employee from employment under regulations for a reduction in force under section 3502(a) of this title, and within 2 years after the date of such separation—

"(1) seeks to employ a person for a position in the competitive area which was the employee's competitive area at the time of the separation and the separated employee is qualified for appointment to that position, the Secretary shall offer the separated employee reemployment in such position before offering employment to any other person for such position; or

"(2) seeks to employ a person for the position from which such employee was separated or to perform the duties performed by such employee, the Secretary may not employ a contract employee or a temporary employee for such position or to perform the duties which were performed by the separated employee.

"(c) If the Secretary concerned separates employees from employment in positions in a competitive area under regulations for a reduction in force under section 3502(a) of this title, and within 2 years after the date of the last such separation seeks to employ persons in all or some of such positions, but not in a sufficient number to result in the reem-

ployment of all such separated employees, the Secretary, before offering employment in any of those positions to any other persons, shall offer such separated employees (if qualified) reemployment in accordance with sections 3309 through 3317 of this title (and any other provision of law relating to the employment of preference eligibles) and on the basis of seniority in Federal Service.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 35 of title 5, United States Code, is amended by inserting after the item relating to section 3504 the following:

"3505. Reemployment after reduction in force for certain employees.".

SEC. 342. REEMPLOYMENT ASSISTANCE.

(a) REQUIREMENT THAT A GOVERNMENT-WIDE LIST OF VACANT POSITIONS BE MAINTAINED.—(1)(A) Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

"§ 3329. Government-wide list of vacant positions

"(a) For the purpose of this section, the term 'agency' means an Executive agency, excluding the General Accounting Office and any agency (or unit thereof) whose principal function is the conduct of foreign intelligence or counterintelligence activities, as determined by the President.

"(b) The Office of Personnel Management shall establish and keep current a comprehensive list of all announcements of vacant positions in the competitive service within each agency that are to be filled by appointment for more than one year and for which applications are being (or will soon be) accepted from outside the agency's work force.

"(c) Included for any position listed shall be—

"(1) a brief description of the position, including its title, tenure, location, and rate of pay;

"(2) application procedures, including the period within which applications may be submitted and a contact point for additional information; and

"(3) any other information which the Office considers appropriate.

"(d) The list shall be available to members of the public.

"(e) The Office shall prescribe such regulations as may be necessary to carry out this section. Any requirement under this section that agencies notify the Office as to the availability of any vacant positions shall be designed so as to avoid any duplication of information otherwise required to be furnished under section 3327 of this title or any other provision of law.".

(B) The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by inserting after the item relating to section 3328 the following:

"3329. Government-wide list of vacant positions.".

(2) No later than 120 days after the date of the enactment of this Act, the Director of the Office of Personnel Management shall begin providing the information on the list referred to in section 3329 of title 5, United States Code (as added by this subsection) by means of a toll-free telephone number (commonly referred to as an 800 number).

(b) TEMPORARY MEASURES TO FACILITATE REEMPLOYMENT OF CERTAIN DISPLACED FEDERAL EMPLOYEES.—(1) For the purpose of this subsection—

(A) the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), excluding the General Accounting Office and the Department of Defense; and

(B) the term "displaced employee" means any individual who is—

(i) an employee of the Department of Defense who has been given specific notice that such employee is to be separated due to a reduction in force; or

(ii) a former employee of the Department of Defense who was involuntarily separated therefrom due to a reduction in force.

(2) In accordance with regulations which the Office of Personnel Management shall prescribe, consistent with otherwise applicable provisions of law, an agency shall, in filling a vacant position for which a qualified displaced employee has applied in timely fashion, give full consideration to the application of the displaced employee before selecting any applicant for employment from outside the agency for the position.

(3) A displaced employee is entitled to consideration in accordance with this subsection for the 12-month period beginning on the date such employee receives the specific notice referred to in paragraph (1)(B)(i), except that, if the employee is separated pursuant to such notice, the right to such consideration shall continue through the end of the 12-month period beginning on the date of separation.

(4)(A) This subsection shall apply to any individual who—

(i) became a displaced employee within the 12-month period ending immediately before the date of enactment of this Act; or

(ii) becomes a displaced employee on or after the date of enactment of this Act and before October 1, 1997.

(B) In the case of a displaced employee described in subparagraph (A)(i), for purposes of computing any period of time under paragraph (3), the date of the specific notice described in paragraph (1)(B)(i) (or, if the employee was separated as described in paragraph (1)(B)(ii) before the date of enactment of this Act, the date of separation) shall be deemed to have occurred on such date of enactment.

(C) Nothing in this subsection shall be considered to apply with respect to any position—

(i) which has been filled as of the date of enactment of this Act; or

(ii) which has been excepted from the competitive service because of its confidential, policy-determining, policy-making or policy-advocating character.

SEC. 343. REDUCTION-IN-FORCE NOTIFICATION REQUIREMENTS.

(a) IN GENERAL.—Section 3502 of title 5, United States Code, is amended by adding at the end the following:

"(d)(1) Except as provided in subsection (e), an employee may not be released from employment due to a reduction in force, unless—

"(A) such employee and such employee's exclusive representative for collective-bargaining purposes (if any) are given written notice, in conformance with the requirements of paragraph (2), at least 60 days before such employee is so released; and

"(B) if the reduction in force would involve the separation of a significant number of employees, the requirements of paragraph (3) are met at least 60 days before any employee is so released.

"(2) Any notice under paragraph (1)(A) shall include—

"(A) the personnel action to be taken with respect to the employee involved;

"(B) the effective date of the action;

"(C) a description of the procedures applicable in identifying employees for release;

"(D) the employee's ranking relative to other competing employees, and how that ranking was determined; and

"(E) a description of any appeal or other rights which may be available to the employee.

"(3) Notice under paragraph (1)(B)—

"(A) shall be given to—

"(i) the appropriate State dislocated worker unit or units (referred to in section 311(b)(2) of the Job Training Partnership Act (29 U.S.C. 1661(b)(2)); and

"(ii) the chief elected official of such unit or each of such units of local government as may be appropriate; and

"(B) shall consist of written notification as to—

"(i) the number of employees to be separated from service due to the reduction in force (broken down by geographic area or on such other basis as may be required under the regulations prescribed pursuant to paragraph (4));

"(ii) when those separations shall occur; and

"(iii) any other matter which might facilitate the delivery of rapid response assistance or other services under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

"(4) The Office shall prescribe such regulations as may be necessary to carry out this subsection. The Office shall consult with the Secretary of Labor on matters relating to the Job Training Partnership Act.

"(e)(1) Subject to paragraph (3), upon request submitted under paragraph (2), the President may, in writing, shorten the period of advance notice required under subsection (d)(1) (A) and (B), with respect to a particular reduction in force, if necessary because of circumstances not reasonably foreseeable.

"(2) A request to shorten notice periods shall be submitted to the President by the head of the agency involved and shall indicate the reduction in force to which the request pertains, the number of days by which the agency head requests that the periods be shortened, and the reasons why the request is necessary.

"(3) No notice period may be shortened to less than 30 days under this subsection.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to any personnel action taking effect on or after the last day of the 90-day period beginning on the date of enactment of this Act.

SEC. 344. ALLEVIATION OF ADVERSE EFFECTS OF BASE CLOSURES ON EMPLOYEES AT THE BASE.

(a) 1990 CLOSURE AND REALIGNMENT ACT.—Section 2905 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 subsection:

"(e) ASSISTANCE FOR ADVERSELY AFFECTED EMPLOYEES.—(1) Unless a civilian employee of the Department of Defense employed at a military installation being closed or realigned under this part earlier receives an actual notice of termination, the date determined by the Secretary of Defense under paragraph (2) shall be considered to be the date of notice of termination to the employee for purposes of determining the employee's eligibility for assistance under the defense conversion adjustment program under section 325 of the Job Training Partnership Act (29 U.S.C. 1662d).

"(2) The date referred to in paragraph (1) is the date that is 12 months before the date on which the military installation is to be

closed or the realignment of the installation is to be completed, as the case may be.".

(b) 1988 CLOSURE AND REALIGNMENT ACT.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(d) ASSISTANCE FOR ADVERSELY AFFECTED EMPLOYEES.—(1) Unless a civilian employee of the Department of Defense employed at a military installation being closed or realigned under this part earlier receives an actual notice of termination, the date determined by the Secretary of Defense under paragraph (2) shall be considered to be the date of notice of termination to the employee for purposes of determining the employee's eligibility for assistance under the defense conversion adjustment program under section 325 of the Job Training Partnership Act (29 U.S.C. 1662d).

"(2) The date referred to in paragraph (1) is the date that is 12 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.".

SEC. 345. OTHER EMPLOYEE ASSISTANCE.

(a) DEPARTMENT OF DEFENSE EMPLOYEE SEPARATION BENEFITS.—(1) Subchapter IX of chapter 55 of title 5, United States Code, is amended by adding at the end the following:

"§ 5597. Employee separation benefits for certain employees

"(a) For purposes of this section, the term—

"(1) 'employee' means an employee of the Department of Defense, including each military department, serving under an appointment without time limitation who has been currently employed for a continuous period of at least 12 months; and

"(2) 'Secretary concerned' means—

"(A) the Secretary of the Army with respect to an employee of the Department of the Army;

"(B) the Secretary of the Navy with respect to an employee of the Department of the Navy;

"(C) the Secretary of the Air Force with respect to an employee of the Department of the Air Force; and

"(D) the Secretary of Defense with respect to all other employees of the Department of Defense.

"(b) The Secretary concerned may authorize the payment of a civilian employee separation benefit to an employee who separates voluntarily from employment, by retirement or resignation, in accordance with the provisions of this section and any regulations prescribed by such Secretary.

"(c) Subject to subsection (g), a civilian employee separation benefit under this section may be offered to—

"(1) all employees at an installation or organization of the Department of Defense that is to be closed or reduced in force;

"(2) all employees in one or more occupational series or grades, or combinations or subdivisions thereof, at an installation or organization of the Department of Defense, when the Secretary concerned determines that the voluntary separation of such employee would—

"(A) increase placement opportunities for other employees affected by the closure or reorganization of installations or organizations of the Department of Defense;

"(B) reduce the need for involuntary separations as a result of such closure or reorganization; or

"(C) otherwise serve the personnel management needs of the Department of Defense.

"(d) An offer of a civilian employee separation benefit under this section shall be limited to a specific period of time, and the benefit shall be payable only to an employee whose voluntary separation, by resignation, or retirement, is effective during such period.

"(e) A civilian employee separation benefit under this section shall be paid in a lump sum, and shall be the lesser of—

"(1) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of this title if the employee were entitled to payment under such section; or

"(2) $20,000.

"(f)(1) The Secretary concerned shall take such actions as may be necessary to ensure that any employee to whom a civilian employee separation benefit is offered under this section is able to consider such offer freely without duress or coercion of any kind.

"(2) A declination of an offer of a civilian employee separation benefit under this section shall not have any effect on an employee's rights and benefits under any other provision of law.

"(g) An employee who retires entitled to an immediate annuity under section 8336 (other than under subsection (d)) or 8412 of this title is not eligible to receive a separation benefit under this section.

"(h) The Secretary concerned may prescribe such regulations as he determines necessary for the administration of this section.

"(i) No civilian employee separation benefit may be paid under this section with respect to a separation occurring after December 31, 1997.".

(2) The table of sections at the beginning of chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5596 the following:

"5597. Employee separation benefits for certain employees.".

(b) RESTORATION OF CERTAIN LEAVE.—Section 6304(d) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(3) For the purpose of this subsection, the closure of an installation of the Department of Defense, during the period beginning on October 1, 1992, and ending on December 31, 1997, shall be deemed to create an exigency of the public business and any leave that is lost by an employee of such installation by operation of this section (regardless of whether such leave was scheduled) shall be restored to the employee and shall be credited and available in accordance with paragraph (2).".

(c) REPORT.—At the end of each of fiscal year 1993 through fiscal year 1998, the Secretary of Defense shall submit to the President, the Congress, and the Director of the Office of Personnel Management a report on the effectiveness and costs of carrying out the amendments made by this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective on the date of enactment of this Act.

SEC. 346. CONTINUED HEALTH BENEFITS.

(a) IN GENERAL.—Section 8905a(d) of title 5, United States Code, is amended—

(1) in paragraph (1)(A) by striking "An individual" and inserting "Except as provided in paragraph (4), an individual";

(2) in paragraph (2) by striking "in accordance with paragraph (1))" and inserting "in accordance with paragraph (1) or (4), as the case may be)"; and

(3) by adding at the end the following:

"(4)(A) If the basis for continued coverage under this section is an involuntary separation from a position in or under the Department of Defense due to a reduction in force—

"(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

"(ii) the agency which last employed the individual shall pay the remaining portion of the amount required under paragraph (1)(A).

"(B) This paragraph shall apply with respect to any individual whose continued coverage is based on a separation occurring on or after the date of enactment of this paragraph and before—

"(i) October 1, 1997; or

"(ii) February 1, 1998, if specific notice of such separation was given to such individual before October 1, 1997.".

(b) SOURCE OF PAYMENTS.—Any amount which becomes payable by an agency as a result of the enactment of subsection (a) shall be paid out of funds or appropriations available for salaries and expenses of such agency.

SEC. 347. THRIFT SAVINGS PLAN BENEFITS OF EMPLOYEES SEPARATED BY A REDUCTION IN FORCE.

(a) BENEFITS.—Section 8433(b) of title 5, United States Code, is amended by inserting "any employee who separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "chapter 81 of this title,".

(b) PROTECTIONS FOR SPOUSES.—Section 8435(c)(2)(A) of title 5, United States Code, is amended by inserting ", or who separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "8451 of this title".

(c) APPLICATION TO CIVIL SERVICE RETIREMENT SYSTEM EMPLOYEES.—Section 8351(b)(4) of title 5, United States Code, is amended by inserting ", separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "section 8337 of this title)".

SEC. 348. SKILL TRAINING PROGRAMS IN THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—(1) Under regulations prescribed by the Secretary of Defense, the Secretaries of the military departments, and the Secretary of Defense with respect to employees of Department of Defense other than employees of the military departments, may provide not more than one year of training in training facilities of the Department to civilian employees of the Department of Defense who are separated from employment as a result of a reduction in force or a closure or realignment of a military installation.

(2) Training may be provided under this subsection during the period beginning on October 1, 1992, and ending on September 30, 1995.

(b) REGISTER OF TRAINING PROGRAMS.—Not later than February 1, 1993, the Secretary of Defense, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, shall publish a register of the skill training programs carried out by the Department of Defense. The register shall—

(1) include a list of the skill training programs;

(2) provide information on the location of such programs, the training provided under such programs, and the number of persons who may receive training under such programs; and

(3) identify the programs that provide training in skills that are useful to employees in the civilian work force.

SEC. 349. REPORT RELATING TO CONTINUING HEALTH BENEFITS COVERAGE OF CERTAIN TERMINATED EMPLOYEES OF DEFENSE CONTRACTORS.

(a) REPORT REQUIRED.—Not later than March 1, 1993, the Under Secretary of Defense for Acquisition shall submit to Congress a report on matters relating to the provision by contractors of the Department of Defense of continuing health benefits coverage to employees of such contractors who are involuntarily separated from such employment by reason of the termination or curtailment of defense contracts.

(b) CONTENT OF REPORT.—The report shall contain—

(1) an estimate of the number of employees referred to in subsection (a) who will be involuntarily separated from employment referred to in that subsection for the reason referred to in that subsection during each of fiscal years 1993 and 1994;

(2) an estimate of the number of such employees who will elect in each such fiscal year to receive continuation coverage under section 4980B of the Internal Revenue Code of 1986, and an estimate of the aggregate monthly costs that will be incurred during such fiscal years by such employees who make the elections;

(3) an estimate of the cost to the Department of Defense of providing continuing health benefits coverage to such employees in the same manner as continuing health benefits are provided to individuals under paragraph (4) of section 8905a(d) of title 5, United States Code, as added by section 346(a);

(4) an assessment of the capability of the employers of such employees to bear a portion or all of the costs estimated under paragraph (3) and a description of any current efforts by such employers to bear such costs; and

(5) recommendations relating to the optimal allocation of such costs between the Federal Government and such employers.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle D—Active Forces Transition Enhancements

SEC. 531. ENCOURAGEMENT FOR CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PERMANENT PROGRAM.—(1) Chapter 58 of title 10, United States Code, is amended by inserting after section 1143 the following new section:

"§ 1143a. Encouragement of postseparation public and community service: Department of Defense

"(a) IN GENERAL.—The Secretary of Defense shall implement a program to encourage members and former members of the armed forces to enter into public and community service jobs after discharge or release from active duty.

"(b) PERSONNEL REGISTRY.—The Secretary shall maintain a registry of members and former members of the armed forces discharged or released from active duty who request registration for assistance in pursuing public and community service job opportunities. The registry shall include information on the particular job skills, qualifications, and experience of the registered personnel.

"(c) REGISTRY OF PUBLIC SERVICE AND COMMUNITY SERVICE ORGANIZATIONS.—The Secretary shall also maintain a registry of public service and community service organizations. The registry shall contain information regarding each organization, including its location, its size, the types of public and community service positions in the organization, points of contact, procedures for applying for such positions, and a description of each such position that is likely to be available. Any such organization may request registration under this subsection and, subject to guidelines prescribed by the Secretary, be registered.

"(d) ASSISTANCE TO BE PROVIDED.—(1) The Secretary shall actively attempt to match personnel registered under subsection (b) with public and community service job opportunities and to facilitate job-seeking contacts between such personnel and the employers offering the jobs.

"(2) The Secretary shall offer personnel registered under subsection (b) counselling services regarding—

"(A) public service and community service organizations; and

"(B) procedures and techniques for qualifying for and applying for jobs in such organizations.

"(3) The Secretary may provide personnel registered under subsection (b) with access to the interstate job bank program of the United States Employment Service if the Secretary determines that such program meets the needs of separating members of the armed forces for job placement.

"(e) CONSULTATION REQUIREMENT.—In carrying out this section, the Secretary shall consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector.

"(f) DELEGATION.—The Secretary, with the concurrence of the Secretary of Labor, may designate the Secretary of Labor as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in this section. Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of the provisions of this section.

"(g) DEFINITIONS.—In this section, the term 'public service and community service organization' includes the following organizations:

"(1) Any organization that provides the following services:

"(A) Elementary, secondary, or postsecondary school teaching or administration.

"(B) Support of such teaching or school administration.

"(C) Law enforcement.

"(D) Public health care.

"(E) Social services.

"(F) Any other public or community service.

"(2) Any nonprofit organization that coordinates the provision of services described in paragraph (1).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1143 the following new item:

"1143a. Encouragement of postseparation public and community service: Department of Defense.".

(b) DEPARTMENT OF VETERANS AFFAIRS RESPONSIBILITIES.—Section 1142(b)(4) of title 10, United States Code, is amended by inserting before the period at the end the following: ", including the public and community service jobs program carried out under section 1143a of this title".

(c) PRESEPARATION ASSISTANCE BY THE DEPARTMENT OF LABOR.—Section 1144(b) of such title is amended by adding at the end the following new paragraph:

"(8) Provide information regarding the public and community service jobs program carried out under section 1143a of this title.".

SEC. 532. TEACHER CERTIFICATION CREDIT FOR MILITARY EXPERIENCE.

(a) UNIFORM STATE STANDARDS AND PROCEDURES.—(1) The Secretary of Defense shall—

(A) develop proposed uniform standards and procedures for the granting of appropriate credit for service in the Armed Forces under State teacher certification or licensing procedures; and

(B) coordinate with appropriate agencies of each State to encourage the incorporation of such uniform standards and procedures into the State's teacher certification or licensing requirements.

(2) The uniform standards should reflect the value to the teaching profession of relevant skills and experience derived from service in the Armed Forces.

(b) DELEGATION TO THE SECRETARY OF EDUCATION.—The Secretary, with the concurrence of the Secretary of Education, may designate the Secretary of Education as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in subsection (a). Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of such subsection.

SEC. 533. PROGRAM OF EDUCATIONAL LEAVE RELATING TO CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PROGRAM.—Under regulations prescribed by the Secretary of Defense after consultation with the Secretary of Transportation and subject to subsections (b) and (c), the Secretary concerned may grant to an eligible member of the Armed Forces a leave of absence for a period not to exceed one year for the purpose of permitting the member to pursue a program of education or training (including an internship) for the development of skills that are relevant to the performance of public and community service. A program of education or training referred to in the preceding sentence includes any such program that is offered by the Department of Defense or by any civilian educational or training institution.

(b) ELIGIBILITY REQUIREMENT.—(1) A member may not be granted a leave of absence under this section unless the member agrees in writing—

(A) diligently to pursue employment in public service and community service organizations upon the separation of the member from active duty in the Armed Forces; and

(B) to serve in the Ready Reserve of an armed force, upon such separation, for a period of 4 months for each month of the period of the leave of absence.

(2)(A) A member may not be granted a leave of absence under this section until the member has completed any period of extension of enlistment or reenlistment, or any period of obligated active duty service, that the member has incurred under section 708 of title 10, United States Code.

(B) The Secretary concerned may waive the limitation in subparagraph (A) for a member who enters into an agreement with the Secretary for the member to serve in the Ready Reserve of a reserve component for a period equal to the uncompleted portion of the member's period of service referred to in that subparagraph. Any such period of agreed service in the Ready Reserve shall be in addition to any other period that the member is obligated to serve in a reserve component.

(c) TREATMENT OF LEAVE OF ABSENCE.—A leave of absence under this section shall be subject to the provisions of subsections (c)

and (d) of section 708 of title 10, United States Code.

(d) EXCLUSION FROM END STRENGTH LIMITATION.—A member of the Armed Forces, while on leave granted pursuant to this section, may not be counted for purposes of any provision of law that limits the active duty strength of the member's armed force.

(e) DEFINITIONS.—In this section:

(1) The term "Secretary concerned" has the meaning given such term in section 101 of title 10, United States Code.

(2) The term "eligible member of the Armed Forces" means a member of the Armed Forces who is eligible for an educational leave of absence under section 708(e) of such title.

(3) The term "public service and community service organization" has the meaning given such term in section 1143a of such title (as added by section 531(a)).

(f) EXPIRATION.—The authority to grant a leave of absence under subsection (a) shall expire on September 30, 1995.

SEC. 534. TEMPORARY EARLY RETIREMENT AUTHORITY.

(a) RETIREMENT FOR 15 TO 20 YEARS OF SERVICE.—(1) The Secretary of the Army may, upon the member's request, retire a member of the Army who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 3926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 3925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(2) The Secretary of the Navy may, upon the member's request, retire a member of the Navy or Marine Corps who has the following years of active service:

(A) In the case of a commissioned officer or enlisted member, between 15 and 20 years.

(B) In the case of a warrant officer, between 15 and 20 years computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(3) The Secretary of the Air Force may, upon the member's request, retire a member of the Air Force who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 8926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 8925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(b) ADDITIONAL ELIGIBILITY REQUIREMENT.—In order to be eligible for retirement under subsection (a), a member of the Armed Forces shall register on the registry maintained under section 1143a(b) of title 10, United States Code (as added by section 531(a)) and receive counselling regarding public and community service job opportunities from the Secretary of Defense or another source approved by the Secretary.

(c) COMPUTATION OF RETIRED PAY.—A member or former member of the Armed Forces retired under subsection (a) shall be entitled to retired pay computed under the provisions of chapter 71, 371, 571, or 871 of title 10, United States Code, that would be applicable to such member or former member if—

(1) the member or former member had been retired under section 1293 (in the case of a retired warrant officer), 3911 (in the case of a retired commissioned Army officer), 3914 (in the case of a retired enlisted member of the Army), 6323 (in the case of a retired commissioned officer of the Navy), 8911 (in the case of a retired commissioned Air Force officer), or 8914 (in the case of a retired enlisted member of the Air Force) of such title upon completion of 20 years of service creditable for purposes of eligibility for retirement; or

(2) in the case of a retired enlisted member of the Regular Navy or Regular Marine Corps, the retired enlisted member had been retired under section 6326 of such title upon completion of 30 years of active service in the Armed Forces creditable for purposes of eligibility for retirement.

(d) FUNDING.—(1) Notwithstanding section 1463 of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary of each military department shall provide in accordance with this section for the payment of retired or retainer pay payable during the fiscal years covered by the other provisions of this subsection to members of the armed force under the jurisdiction of that Secretary who are being retired under the authority of this section.

(2) In each fiscal year in which the Secretary of a military department retires a member of the Armed Forces under the authority of this section, the Secretary shall credit to a subaccount (which the Secretary shall establish) within the appropriation account for that fiscal year for pay and allowances of active duty members of the armed force under the jurisdiction of that Secretary such amount as is necessary to pay the retired or retainer pay payable to such member for the entire initial period (determined under paragraph (3)) of the entitlement of that member to receive retired or retainer pay.

(3) The initial period applicable under paragraph (2) in the case of a retired member referred to in that paragraph is the number of years (and any fraction of a year) that is equal to the difference between 20 years and the number of years (and any fraction of a year) of service that were completed by the member (as computed under the provision of law referred to in subsection (a) that is applicable to that member) before being retired under this section.

(4) The Secretary shall pay the member's retired or retainer pay for such initial period out of amounts credited to the subaccount under paragraph (2). The amounts so credited with respect to that member shall remain available for payment for that period.

(e) COORDINATION OF BENEFITS.—A member of the Armed Forces retired under this section is not entitled to benefits under section 1174, 1174a, or 1175 of title 10, United States Code.

(f) TERMINATION OF AUTHORITY.—The authority under subsection (a) shall terminate on October 1, 1995.

SEC. 535. INCREASED EARLY RETIREMENT RETIRED PAY FOR PUBLIC OR COMMUNITY SERVICE.

(a) RECOMPUTATION OF RETIRED PAY.—(1) If a member or former member of the Armed Forces retired under section 534(a) or any other provision of law authorizing retirement from the Armed Forces (other than for disability) before the completion of at least 20 years of active duty service (as computed under the applicable provision of law) is employed by a public service or community service organization listed on the registry maintained under section 1143a(c) of title 10, United States Code (as added by section 531(a)), within the period of the member's enhanced retirement qualification period, the member's or former member's retired or retainer pay shall be recomputed effective on the first day of the first month beginning after the date on which the member or former member attains 62 years of age.

(2) For purposes of recomputing a member's or former member's retired pay—

(A) the years of the member's or former member's employment by a public service or community service organization referred to in paragraph (1) during the member's or former member's enhanced retirement qualification period shall be treated as years of active duty service in the Armed Forces; and

(B) in applying section 1401a of title 10, United States Code, the member's or former member's years of active duty service shall be deemed as of the date of retirement to have included the years of employment referred to in subparagraph (A).

(3) Section 1405(b) of title 10, United States Code, shall apply in determining years of service under this subsection.

(4) In this subsection, the term "enhanced retirement qualification period", with respect to a member or former member retired under a provision of law referred to in paragraph (1), means the period beginning on the date of the retirement of the member or former member and ending the number of years (including any fraction of a year) after that date which when added to the number of years (including any fraction of a year) of service credited for purposes of computing the retired pay of the member or former member upon retirement equals 20 years.

(b) SBP ANNUITIES.—(1) Effective on the first day of the first month after a member or former member of the Armed Forces retired under a provision of law referred to in subsection (a)(1) attains 62 years of age or, in the event of death before attaining that age, would have attained that age, the base amount applicable under section 1447(2) of title 10, United States Code, to any Survivor Benefit Plan annuity provided by that member or former member shall be recomputed. For the recomputation the total years (including any fraction of a year) of the member's or former member's active service shall be treated as having included the member's or former member's years (including any fraction of a year) of employment referred to in subsection (a)(1) as of the date when the member or former member became eligible for retired pay under this section.

(2) In this subsection, the term "Survivor Benefit Plan" means the plan established under subchapter II of chapter 73 of title 10, United States Code.

SEC. 536. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PERSONNEL TO ENROLL IN MONTGOMERY GI BILL PROGRAM WHILE BEING VOLUNTARILY SEPARATED FROM SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by inserting after section 3018A the following new section:

"§ 3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is voluntarily discharged from the Armed Forces with an honorable discharge, or voluntarily released from active duty under honorable conditions (as characterized by the Secretary concerned), pursuant to a

request for separation approved under section 1174a or 1175 of title 10,

"(2) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree,

"(3) in the case of any individual who has made an election under section 3011(c)(1) of this title, withdraws such election pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section,

"(4) in the case of any person enrolled in the educational benefits program provided by chapter 32 of this title makes an irrevocable election, pursuant to procedures referred to in paragraph (3) of this subsection, to receive benefits under this section in lieu of benefits under such chapter 32, and

"(5) elects to receive assistance under this section pursuant to regulations referred to in paragraph (3) of this subsection,

is entitled to basic educational assistance under this chapter.

"(b) An election or withdrawal of election permitted under subsection (a) of this section is not effective unless—

"(1) in the case of an individual separated from active duty more than 90 days after the date of the enactment of this section, the individual makes the election or withdrawal before the separation;

"(2) in the case of an individual separated from active duty on or after the date of the enactment of this section and within 90 days after that date, the individual makes the election or withdrawal within 90 days after the separation; and

"(3) in the case of an individual separated from active duty before the date of the enactment of this section, the individual makes the election or withdrawal within 90 days after such date.

"(c)(1) An individual described in subsection (a) of this section who makes a withdrawal referred to in subsection (a)(3) of this section shall pay $1,200 to the Secretary of Veterans Affairs. In the case of an individual who makes the withdrawal of election before being separated, any portion of the obligation to pay $1,200 may be discharged by reduction of that individual's basic pay.

"(2) Amounts received by the Secretary pursuant to paragraph (1) shall be credited to the appropriation available for the fiscal year in which received for the Department of Veterans Affairs for the payment of readjustment benefits.

"(d) A withdrawal of election referred to in subsection (a)(3) of this section is irrevocable.

"(e)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(4) of this subsection shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) as provided in section 3223(b) of this title, to the individual the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to section 3222(c) of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such Account to make payments of benefits to such individual under section 3015(e) of this title.".

(2) The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 3018A the following new item:

"3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service.".

(b) CONFORMING AMENDMENTS.—(1) Section 3013(d) of such title is amended by inserting "or 3018B" after "section 3018A".

(2) Section 3015(e) of such title is amended by inserting "or 3018B" after "section 3018A".

(3) Section 3035(b)(3) of such title is amended—

(A) in the matter above subparagraph (A), by inserting "or 3018B" after "section 3018A"; and

(B) in subparagraph (B), by inserting "or 3018B(a)(3)" after "section 3018A(a)(3)".

SEC. 537. ELIMINATION OF RECOUPMENT REQUIREMENT FOR RESERVE DUTY.

Paragraph (2) of section 1175(e) of title 10, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), a member entitled to voluntary separation incentive payments who is also entitled to basic pay for active service shall forfeit an amount of voluntary separation incentive payable for the same period that is equal to the total amount of basic pay received.

"(B) Subparagraph (A) does not apply with respect to—

"(i) annual training; or

"(ii) active duty for training that is not active duty for a period of more than 30 days.".

SEC. 538. AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN EMPLOYMENT, JOB TRAINING, AND OTHER ASSISTANCE.

Section 1144(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "$4,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$11,000,000 for fiscal year 1993 and $8,000,000 for each of fiscal years 1994 and 1995."; and

(2) in paragraph (2), by striking out "$1,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$6,500,000 for each of fiscal years 1993, 1994, and 1995.".

SEC. 539. CONTINUED HEALTH COVERAGE FOR MEMBERS AND DEPENDENTS UPON THE SEPARATION OF THE MEMBERS FROM ACTIVE DUTY AND FOR EMANCIPATED CHILDREN OF MEMBERS.

(a) MEMBERS AND EMANCIPATED CHILDREN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1078 the following new section:

"§1078a. Continued health benefits coverage

"(a) PROVISION OF CONTINUED HEALTH COVERAGE.—The Secretary of Defense and the Director of the Office of Personnel Management shall jointly carry out a program in accordance with this section to provide persons described in subsection (b) with temporary health benefits under the program of continued health benefits coverage provided for former civilian employee of the Federal Government and other persons under section 8905a of title 5.

"(b) ELIGIBLE PERSONS.—The persons referred to in subsection (a) are the following:

"(1) A member of the armed forces who—

"(A) is discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily, under other than adverse conditions, as characterized by the Secretary concerned;

"(B) immediately preceding that discharge or release, is entitled to medical and dental care under section 1074(a) of this title (except in the case of a member discharged or released from full-time National Guard duty); and

"(C) after that discharge or release and any period of transitional health care provided under section 1145(a) of this title, would not otherwise be eligible for any benefits under this chapter.

"(2) A person who—

"(A) ceases to meet the requirements for being considered an unmarried dependent child of a member or former member of the armed forces under section 1072(2)(D) of this title;

"(B) on the day before ceasing to meet those requirements, was covered under a health benefits plan under this chapter or transitional health care under section 1145(a) of this title as a dependent of the member or former member; and

"(C) would not otherwise be eligible for any benefits under this chapter.

"(c) NOTIFICATION OF ELIGIBILITY.—(1) The Director, in consultation with the Secretary of Defense, shall prescribe regulations to provide for persons described in subsection (b) to be notified of eligibility to receive health benefits under this section.

"(2) In the case of a member who becomes (or will become) eligible for continued coverage under subsection (b)(1), the regulations shall provide for the Secretary concerned to notify the member of the member's rights under this section as part of preseparation counseling conducted under section 1142 of this title or any other provision of other law.

"(3) In the case of a child of a member who becomes eligible for continued coverage under subsection (b)(2), the regulations shall provide that—

"(A) the member may submit to the Secretary concerned a written notice of the child's change in status (including the child's name, address, and such other information as the Director may require); and

"(B) the Secretary concerned shall, within 14 days after receiving that notice, inform the child of the child's rights under this section.

"(d) ELECTION OF COVERAGE.—In order to obtain continued coverage under this section, an appropriate written election (submitted in such manner as the Director may prescribe) shall be made as follows:

"(1) In the case of a member described in subsection (b)(1), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date of the discharge or release of the member from active duty;

"(B) the date on which the period of transitional health care applicable to the member under section 1145(a) of this title ends; or

"(C) the date the member receives the notification required pursuant to subsection (c).

"(2) In the case of a person described in subsection (b)(2), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title, or

"(B) the date the person receives the notification pursuant to subsection (c),

except that if the Secretary concerned determines that the person's parent has failed to provide the notice referred to in subsection (c)(3)(A) with respect to the person in a timely fashion, the 60-day period under this paragraph shall be based only on the date under subparagraph (A).

"(e) COVERAGE OF DEPENDENTS.—A person eligible under subsection (b)(1) to elect to receive coverage may elect coverage either as an individual or, if appropriate, for self and dependents. A person eligible under subsection (b)(2) may elect only individual coverage.

"(f) CHARGES.—(1) Under arrangements satisfactory to the Director, a person receiving continued coverage under this section shall be required to pay into the Employees Health Benefits Fund established under section 8909 of title 5 an amount equal to the sum of—

"(A) the amount determined under section 8905a(d)(1)(A)(i) of title 5;

"(B) an amount, not in excess of 10 percent of the amount referred to in subparagraph (A), that is necessary for administrative expenses, as determined under regulations prescribed by the Director; and

"(C) such additional amount determined by the Director to be necessary to ensure that outlays from the Fund as a result of the program established under this section do not exceed amounts paid under this paragraph.

"(2) If a person elects to continue coverage under this section before the end of the applicable period under subsection (d), but after the person's coverage under this chapter (including any transitional extensions of coverage) expires, coverage shall be restored retroactively, with appropriate contributions (determined in accordance with paragraph (1)) and claims (if any), to the same extent and effect as though no break in coverage had occurred.

"(g) CONTRIBUTION.—Subject to the availability of appropriations for the purpose of this section, if the basis for continued coverage under this section for a member of the armed forces under subsection (b)(1) is involuntary separation approved under section 1174a or 1175 of this title, contributions shall be made in accordance with subsection (f)(1), except that—

"(1) the amount to be paid by the member shall be equal to the employee contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(2) the Secretary of Defense shall pay into the Employees Health Benefits Fund, under arrangements satisfactory to the Director of the Office of Personnel Management, an amount equal to—

"(A) the agency contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(B) the amount described in subsection (f)(1)(B).

"(h) PERIOD OF CONTINUED COVERAGE.—(1) Continued coverage under this section may not extend beyond—

"(A) in the case of a member described in subsection (b)(1), the date which is 18 months after the date the member ceases to be entitled to care under section 1074(a) of this title and any transitional care under section 1145 of this title, as the case may be; and

"(B) in the case of a person described in subsection (b)(2), the date which is 36 months after the date on which the individual first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title.

"(2) Notwithstanding paragraph (1)(B), if a person ceases to meet the requirements for being considered an unmarried dependent child of a member described in subsection (b)(1) during a period of continued coverage of that member for self and dependents under this section, extended coverage of that person under this section may not extend beyond the date which is 36 months after the date the member became ineligible for medical and dental care under section 1074(a) of this title and any transitional health care under section 1145(a) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1078 the following new item:

"1078a. Continued health benefits coverage.".

(b) TRANSITIONAL PROVISIONS.—The Director of the Office of Personnel Management shall provide a period for the enrollment for health benefits coverage under this section by members and former members of the Armed Services for whom the availability of transitional health care under section 1145(a) of title 10, United States Code, expires before section 1078a of such title, as added by subsection (a), is implemented.

(c) TERMINATION OF APPLICABILITY OF OTHER CONVERSION HEALTH POLICIES.—(1) No person may purchase a conversion health policy under section or 1145(b) of title 10, United States Code, on or after the date on which the Director of the Office of Personnel Management announces that section 1078a of such title is implemented. A person covered by such a conversion health policy on that date may cancel that policy and enroll in a health benefits plan under section 1078a of such title.

(2) No person may be covered concurrently by a conversion health policy under such section 1145(b) of title 10, United States Code, and a health benefits plan under section 1078a of such title.

(d) EFFECTIVE DATE.—Section 1078a of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1992.

Subtitle E—Guard and Reserve Transition Initiatives

SEC. 541. FORCE REDUCTION TRANSITION PERIOD DEFINED.

In this subtitle, the term "force reduction transition period" means the period beginning on October 1, 1991, and ending on September 30, 1995.

SEC. 542. MEMBER OF SELECTED RESERVE DEFINED.

In this subtitle, the term "member of the Selected Reserve" means—

(1) a member of a unit in the Selected Reserve of the Ready Reserve; and

(2) a Reserve designated pursuant to section 268(b) of title 10, United States Code.

SEC. 543. RESTRICTION ON RESERVE FORCE REDUCTION.

(a) IN GENERAL.—During the force reduction transition period, no unit in the Selected Reserve of the Ready Reserve of the Armed Forces may be inactivated and no member of the Selected Reserve may be involuntarily discharged from a reserve component of the Armed Forces or involuntarily transferred from the Selected Reserve before the Secretary of Defense has promulgated, implemented, and transmitted to the Committees on Armed Services of the Senate and House of Representatives regulations that govern the treatment of members of the Selected Reserve assigned to such units and members of the Selected Reserve that are being subjected to such actions.

(b) SAVINGS PROVISION.—Subsection (a) shall not apply to actions completed before the date of the enactment of this Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the prohibition in section 411(c).

SEC. 544. TRANSITION PLAN REQUIREMENTS.

(a) PURPOSE OF PLAN.—The purpose of the regulations referred to in section 543 shall be to ensure that the members of the Selected Reserve are treated with fairness, with respect for their service to their country, and with attention to the adverse personal consequences of Selected Reserve unit inactivations, involuntary discharges of such members from the reserve components of the Armed Forces, and involuntary transfers of such members from the Selected Reserve.

(b) SCOPE OF PLAN.—The regulations shall include—

(1) such provisions as are necessary to implement the provisions of this subtitle and the amendments made by this subtitle; and

(2) such other policies and procedures for the recruitment of personnel for service in the Selected Reserve of the Ready Reserve, and for the reassignment, retraining, separation, and retirement of members of the Selected Reserve, as are appropriate for satisfying the needs of the Selected Reserve together with the purpose set out in subsection (a).

(c) MINIMUM REQUIREMENTS FOR PLAN.—The regulations shall include the following:

(1) The giving of a priority to personnel referred to in section 543(a) for reassignment to Selected Reserve units not being inactivated.

(2) The giving of a priority to such personnel for transfer among the reserve components of the Armed Forces in order to facilitate reassignment to such units.

(3) A requirement that the Secretaries of the military departments take diligent actions to ensure that members of the reserve components of the Armed Forces are informed in easily understandable terms of the rights and benefits conferred upon such personnel by this subtitle, by the amendments made by this subtitle, and by such regulations.

(4) Such other protections, preferences, and benefits as the Secretary of Defense considers appropriate.

(d) UNIFORM APPLICABILITY.—The regulations shall apply uniformly to the Army, Navy, Air Force, and Marine Corps.

SEC. 545. INAPPLICABILITY TO CERTAIN DISCHARGES AND TRANSFERS.

The protections, preferences, and benefits provided for in regulations prescribed in accordance with this subtitle do not apply with respect to a member of the Selected Reserve who is discharged from a reserve component of the Armed Forces or is transferred from the Selected Reserve to another category of the Ready Reserve, to the Standby Reserve, or to the Retired Reserve—

(1) at the request of the member unless such request was made and approved under a provision of this subtitle or section 1331a of title 10, United States Code (as added by section 547);

(2) because the member no longer meets the qualifications for membership in the Selected Reserve set forth in any provision of law as in effect on the day before the date of the enactment of this Act;

(3) under adverse conditions, as characterized by the Secretary of the military department concerned; or

(4) if the member—

(A) is immediately eligible for retired pay based on military service under any provision of law;

(B) is serving as a military technician, as defined in section 8401(30) of title 5, United States Code, and would be immediately eligible for an unreduced annuity under the provisions of subchapter III of chapter 83 of such title, relating to the Civil Service Retirement and Disability System, or the provisions of chapter 84 of such title, relating to the Federal Employees' Retirement System; or

(C) is eligible for separation pay under section 1174 of title 10, United States Code.

SEC. 546. FORCE REDUCTION PERIOD RETIREMENTS.

(a) TEMPORARY SPECIAL AUTHORITY.—During the period referred to in subsection (b), the Secretary concerned may grant a member of the Selected Reserve under the age of 60 years the annual payments provided for under this section if—

(1) as of October 1, 1991, that member has completed at least 20 years of service computed under section 1332 of title 10, United States Code, or after that date and before October 1, 1995, such member completes 20 years of service computed under that section;

(2) the member satisfies the requirements of paragraphs (3) and (4) of section 1331(a) of title 10, United States Code; and

(3) the member applies for transfer to the Retired Reserve—

(A) in the case of a member who has not received the notice required by section 1331(d) of that title before the date of the enactment of this Act, within one year after receiving such notice; and

(B) in the case of a member who received such a notice before the date of the enactment of this Act, within one year after that date.

(b) PERIOD OF APPLICABILITY.—The period referred to in subsection (a) is, with respect to a member of the Selected Reserve, the force reduction transition period, the period provided under paragraph (3) of that subsection for the member to submit an application, and the period necessary for taking action on that application.

(c) ANNUAL PAYMENT PERIOD.—An annual payment granted to a member under this section shall be paid for 5 years, except that if the member attains 60 years of age during the 5-year period the entitlement to the annual payment shall terminate on the member's 60th birthday.

(d) COMPUTATION OF ANNUAL PAYMENT.—(1) The annual payment for a member shall be equal to the amount determined by multiplying the product of 12 and the applicable percent under paragraph (2) by the monthly basic pay to which the member would be entitled if the member were serving on active duty as of the date the member is transferred to the Retired Reserve.

(2)(A) Subject to subparagraph (B) the percent applicable to a member for purposes of paragraph (1) is 5 percent plus 0.5 percent for each full year of service, computed under section 1332 of title 10, United States Code, that a member has completed in excess of 20 years before transfer to the Retired Reserve.

(B) The maximum percent applicable under this paragraph is 10 percent.

(e) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary concerned may limit the applicability of this section to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(f) NONDUPLICATION OF BENEFITS.—A member transferred to the Retired Reserve under the authority of section 1331a of title 10, United States Code (as added by section 547), may not be paid annual payments under this section.

(g) FUNDING.—To the extent provided in appropriations Acts, payments under this section in a fiscal year shall be made out of amounts available to the Department of Defense for that fiscal year for the pay of reserve component personnel.

(h) HEALTH CARE BENEFITS.—A member of the Retired Reserve receiving annual payments under this section shall be treated as a member of the uniformed services entitled to retired or retainer pay for the purposes of the provisions of chapter 55 of title 10, United States Code.

SEC. 547. RETIREMENT WITH 15 YEARS OF SERVICE.

(a) AUTHORITY.—Chapter 67 of title 10, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Temporary special retirement qualification authority

"(a) RETIREMENT WITH AT LEAST 15 YEARS OF SERVICE.—For the purposes of section 1331 of this title, the Secretary of a military department may—

"(1) during the period described in subsection (b), determine to treat a member of the Selected Reserve of a reserve component of the armed force under the jurisdiction of that Secretary as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member—

"(A) as of October 1, 1991, has completed at least 15, and less than 20, years of service computed under section 1332 of this title; or

"(B) after that date and before October 1, 1995, completes 15 years of service computed under that section; and

"(2) upon the request of the member submitted to the Secretary within one year after the date of the notification referred to in paragraph (1), transfer the member to the Retired Reserve.

"(b) PERIOD OF AUTHORITY.—The period referred to in subsection (a)(1) is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993 and ending on October 1, 1995.

"(c) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) The Secretary of the military department concerned may limit the applicability of subsection (a) to any category of personnel defined by the Secretary in order to meet a need of the armed force under the jurisdiction of the Secretary to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

"(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a) of the National Defense Authorization Act for Fiscal Year 1993.

"(d) EXCLUSION.—This section does not apply to persons referred to in section 1331(c) of this title.

"(e) REGULATIONS.—The authority provided in this section shall be subject to regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1331 the following new item:

"1331a. Temporary special retirement qualification authority.".

SEC. 548. SEPARATION PAY.

(a) ELIGIBILITY.—Subject to section 545, a member of the Selected Reserve who, after completing at least 6 years of service computed under section 1332 of title 10, United States Code, and before completing 15 years of service computed under that section, is involuntarily discharged from a reserve component of the Armed Forces or is involuntarily transferred from the Selected Reserve is entitled to separation pay.

(b) AMOUNT OF SEPARATION PAY.—(1) The amount of separation pay which may be paid to a person under this section is 15 percent of the product of—

(A) the years of service credited to that person under section 1333 of title 10, United States Code; and

(B) 62 times the daily equivalent of the monthly basic pay to which the person would have been entitled had the person been serving on active duty at the time of the person's discharge or transfer.

(2) In the case of a person who receives separation pay under this section and who later receives basic pay, compensation for inactive duty training, or retired pay under any provision of law, such basic pay, compensation, or retired pay, as the case may be, shall be reduced by 75 percent until the total amount withheld through such reduction equals the total amount of the separation pay received by that person under this section.

(c) RELATIONSHIP TO OTHER SERVICE-RELATED PAY.—Subsections (g) and (h) of section 1174 of title 10, United States Code, shall apply to separation pay under this section.

(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations, which shall be uniform for the Army, Navy, Air Force, and Marine Corps, for the administration of this section.

SEC. 549. WAIVER OF CONTINUED SERVICE REQUIREMENT FOR MONTGOMERY GI BILL BENEFITS.

(a) IN GENERAL.—The eligibility of a person referred to in subsection (b)—

(1) to be provided educational assistance under chapter 106 of title 10, United States Code, may not be terminated under section 2134(2) of that title, or

(2) to be provided educational assistance under chapter 30 of title 38, United States Code, may not be terminated under section 3012(a) of that title,

on the basis of the termination of that person's status as a member of the Selected Reserve under the circumstances described in subsection (b).

(b) APPLICABILITY.—Subsection (a) applies to a member of the Selected Reserve who, before completing the years of service in the Selected Reserve agreed to under section 2132(a) of title 10, United States Code, or the years of service required by section 3012(a) of title 38, United States Code, as the case may be, ceases to be a member of the Selected Reserve during the force reduction transition period by reason of the inactivation of his unit of assignment or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 268(b) of title 10, United States Code.

SEC. 550. COMMISSARY AND EXCHANGE PRIVILEGES.

The Secretary of Defense shall prescribe regulations to authorize a person who invol-

untarily ceases to be a member of the Selected Reserve during the force reduction transition period to continue to use commissary and exchange stores in the same manner as a member of the Selected Reserve for a period of one year after the later of—

(1) the date on which that person ceases to be a member of the Selected Reserve; or

(2) the date of the enactment of this Act.

SEC. 551. TEMPORARY CONTINUATION OF SERVICEMEN'S GROUP LIFE INSURANCE.

(a) CONTINUED COVERAGE.—For the purposes of section 1968(a) of title 38, United States Code, the 120-day period of coverage provided for under paragraph (4) of such section shall be extended to a 365-day period of coverage in the case of a former member of the Selected Reserve referred to in subsection (b).

(b) ELIGIBILITY.—Subsection (a) applies to a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period and is ready, willing, and able to perform the training described in section 1965(5)(B) of title 38, United States Code.

(c) PAYMENT OF PREMIUMS.—The total amount of the cost attributable to insuring a person under this section shall be paid from any funds available to the Department of Defense for the pay of reserve component personnel that the Secretary of Defense determines appropriate.

(d) IMPLEMENTATION.—The Secretary of Veterans Affairs shall take any contracting and other actions that are necessary to ensure that the provisions of this section are implemented promptly.

SEC. 552. APPLICABILITY AND TERMINATION OF BENEFITS.

(a) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned may limit the applicability of a benefit provided under sections 548 through 551 to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(b) INAPPLICABILITY TO CERTAIN SEPARATIONS AND REASSIGNMENTS.—Sections 548 through 551 do not apply with respect to personnel who cease to be members of the Selected Reserve under adverse conditions, as characterized by the Secretary of the military department concerned.

(c) TERMINATION OF BENEFITS.—The eligibility of a member of a reserve component of the Armed Forces (after having involuntarily ceased to be a member of the Selected Reserve) to receive benefits and privileges under sections 548 through 551 terminates upon the involuntary separation of such member from the Armed Forces under adverse conditions, as characterized by the Secretary of the military department concerned.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Defense Conversion Policy for the National Defense Technology and Industrial Base

SEC. 801. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE POLICIES AND PLANNING.

(a) POLICIES AND PLANS FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter 135:

"CHAPTER 135—NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE

"Subchapter	Sec.
"I. Policies and Planning	2261
"II. Dual-Use Technologies	2271
"III. Manufacturing Technology	2281
"IV. Miscellaneous Technology Base Policies and Programs	2291
"V. Definitions	2300

"SUBCHAPTER I—POLICIES AND PLANNING

"Sec.
"2261. Policy.
"2262. National Defense Technology and Industrial Base Council.
"2263. National defense technology and industrial base assessment.
"2264. National defense technology and industrial base plan.
"2265. National Defense Program for Analysis of the Technology and Industrial Base.

"§ 2261. Policy

"(a) POLICY OBJECTIVES FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—It is the policy of Congress that the national defense technology and industrial base be capable of meeting the following national security objectives:

"(1) Supplying and equipping the force structure of the armed forces that is necessary to achieve the objectives set forth in the national security strategy report submitted to Congress by the President pursuant to section 104 of the National Security Act of 1947 (50 U.S.C. 404a), the policy guidance of the Secretary of Defense provided pursuant to section 113(g) of this title, and the multiyear defense program submitted to Congress by the Secretary of Defense pursuant to section 114a of this title.

"(2) Sustaining production, maintenance, repair, and logistics for operations of various durations and intensity.

"(3) Maintaining advanced research and development activities to provide the armed forces with systems capable of ensuring technological superiority over potential adversaries.

"(4) Reconstituting within a reasonable period the capability to develop and produce supplies and equipment, including technologically advanced systems, in sufficient quantities to prepare fully for a major war, major national emergency, or major mobilization of the armed forces before the commencement of that war, national emergency, or mobilization.

"(b) POLICY OBJECTIVES RELATING TO DEFENSE CONVERSION.—It is the policy of Congress that the United States seek to achieve the national defense technology and industrial base objectives set forth in subsection (a) through enhanced opportunities for conversion of defense-dependent businesses and industrial and technology base sectors to dual-use capabilities.

"(c) CIVIL-MILITARY INTEGRATION POLICY.—It is the policy of Congress that the United States attain the national defense technology and industrial base objectives set forth in subsection (a) through acquisition policy reforms that have the following objectives:

"(1) Relying, to the maximum extent practicable, upon the commercial national defense technology and industrial base that is required to meet the national security needs of the United States.

"(2) Reducing the reliance of the Department of Defense on technology and industrial sectors that are economically dependent on Department of Defense business.

"(3) Reducing Federal Government barriers to the use of commercial products, processes, and standards.

"§ 2262. National Defense Technology and Industrial Base Council

"(a) ESTABLISHMENT.—There is a National Defense Technology and Industrial Base Council.

"(b) COMPOSITION.—The Council is composed of the following members:

"(1) The Secretary of Defense, who shall serve as Chairman.

"(2) The Secretary of Energy.

"(3) The Secretary of Commerce.

"(c) RESPONSIBILITIES.—The Council shall have the following responsibilities:

"(1) To provide overall policy guidance and direction to the military departments and the Defense Agencies, to ensure effective cooperation among departments and agencies of the Federal Government, and to provide advice and recommendations to the President, the Secretary of Defense, and the Secretary of Energy concerning—

"(A) the capabilities of the national defense technology and industrial base to meet the national security objectives of the United States;

"(B) programs for achieving the defense conversion objectives set forth in section 2261(b) of this title; and

"(C) changes in acquisition policy that strengthen the national defense technology and industrial base.

"(2) To prepare annually the assessment and plan required by sections 2263 and 2264 of this title, respectively.

"§ 2263. National defense technology and industrial base assessment

"(a) COMPREHENSIVE ASSESSMENT.—The National Defense Technology and Industrial Base Council shall prepare a comprehensive annual assessment of the capability of the national defense technology and industrial base to attain each of the objectives set forth in section 2261 of this title.

"(b) SECTOR CAPABILITY ANALYSIS.—(1) The annual assessment shall include a sector capability analysis composed of the following matters:

"(A) An analysis of the role of each sector in attaining each of the objectives set forth in section 2261 of this title.

"(B) An analysis of the current and projected capability of each sector to attain each such objective for each of the following periods:

"(i) The fiscal year during which the assessment is submitted to Congress pursuant to section 2264(1) of this title.

"(ii) The following fiscal year.

"(iii) The multiyear period covered by the multiyear defense program submitted under section 114a of this title during the fiscal year referred to in clause (i).

"(2) The analysis required by paragraph (1)(B) shall include, for each sector for each period described in paragraph (1)(B), an analysis of the present and projected capabilities

of prime contractors, subcontractors, the Defense Industrial Reserve under section 2292 of this title, and departments and agencies of the Federal Government with respect to each of the following:

"(A) Research and development, including research and development regarding the critical technologies identified under subsection (f).

"(B) Application of critical technologies to the production of goods and the furnishing of services.

"(C) Test and evaluation.

"(D) Low rate production.

"(E) High volume production.

"(F) Repair and maintenance.

"(G) Design and prototyping.

"(H) Work force skills and capabilities, including improvements that build on the skill and experience of their work force.

"(c) FOREIGN DEPENDENCY CONSIDERATIONS.—In the preparation of the annual assessment the Council shall consider, for each sector, the following factors:

"(1) The availability of essential raw materials, special alloys, composite materials, components, subsystems, production equipment, facilities, special tooling, and production test equipment for—

"(A) the sustained production of systems fully capable of meeting the performance objectives established for those systems;

"(B) the uninterrupted maintenance and repair of such systems; and

"(C) the sustained operation of such systems.

"(2) The identification of items specified in paragraph (1) that are available only from sources outside the national defense technology and industrial base.

"(3)(A) The availability of alternatives for obtaining such items from within the national defense technology and industrial base if such items become unavailable from sources outside the national defense technology and industrial base.

"(B) An analysis of any military vulnerability that could result from the lack of reasonable alternatives.

"(4) The effects on the national defense technology and industrial base that result from foreign acquisition of firms in the United States.

"(d) FINANCIAL CONDITION ANALYSIS.—(1) The assessment shall include an analysis of the present and projected financial condition of each sector, for each period described in subsection (b)(1)(B).

"(2) In the analysis of the financial condition of each sector, the Council shall specifically consider the following matters:

"(A) Trends in the following:

"(i) Profitability.

"(ii) Levels of capital investment.

"(iii) Expenditures on research and development.

"(iv) Levels of debt.

"(B) The effects of actual and potential commercial sales.

"(C) The consequences of mergers, acquisitions, and takeovers.

"(D) The effects of Department of Defense financial policies, including the following:

"(i) Policies relating to progress payments or other financing by the Department of Defense.

"(ii) Policies relating to the return on contractor investment.

"(iii) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.

"(E) The effects of expenditures in the sector by departments and agencies of the Federal Government other than the Department of Defense and the Department of Energy (for national security programs).

"(F) The analysis required by subsection (e).

"(e) ANALYSIS OF IMPACT OF DEPARTMENT OF DEFENSE REDUCTIONS.—(1) The annual assessment shall include an analysis of the impact of the terminations and significant reductions of major research and development programs and procurement programs of the Department of Defense on the capability of each sector to attain each of the objectives set forth in section 2261 of this title.

"(2) The programs referred to in paragraph (1) are those programs in which a termination or significant reduction in expenditures—

"(A) has taken place in the fiscal year before the fiscal year in which the annual assessment is submitted to Congress pursuant to section 2264(1) of this title; or

"(B) is provided for—

"(i) in the budget submitted pursuant to section 1105(a) of title 31 in that fiscal year; and

"(ii) in the multiyear defense program submitted with such budget pursuant to section 114a of this title.

"(3) In this subsection, the term 'significant reduction', with respect to expenditures for a program for a fiscal year, means that the amount provided for that program for that fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program for that fiscal year is less than the amount provided for that program for the preceding fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program, respectively, for that preceding fiscal year by at least—

"(A) the greater of—

"(i) the amount equal to 10 percent of the amount provided for that preceding fiscal year; or

"(ii) $5,000,000; or

"(B) a lesser amount determined significant by the Secretary of Defense or the Council.

"(f) CRITICAL TECHNOLOGY ANALYSIS.—(1) The annual assessment shall include a critical technology analysis that identifies the product and process technologies that are most critical for attaining the technology and industrial base objectives set forth in section 2261 of this title. The number of technologies so identified may not exceed 20. The analysis shall be prepared in consultation with the Critical Technologies Institute.

"(2) For each technology, the analysis shall include the following:

"(A) The reasons for selection of that technology as a technology critical to the Department of Defense.

"(B) The potential dual-use applications of that technology.

"(C) The relationship between the activities of the Department of Defense and other Federal agencies in the development of that technology.

"(D) The potential contributions that the private sector can be expected to make from its own resources in connection with the development of civilian applications for such technology.

"(E) A comparison of the position of the United States to the positions of other nations in the development of that technology, including the potential contributions that other nations can make to meeting the needs of the United States for that technology.

"(g) SECTOR VIABILITY ANALYSIS.—(1) The annual assessment shall include an analysis, for each of the periods described in subsection (b)(1)(B), of the following matters:

"(A) The extent to which each sector is—

"(i) dependent on defense expenditures to ensure continued viability;

"(ii) dependent on a mix of defense and nondefense Federal Government expenditures to ensure continued viability;

"(iii) dependent on a mix of Federal Government expenditures and other Federal Government programs to ensure continued viability; and

"(iv) sufficiently integrated with the commercial marketplace to ensure continued viability regardless of the level of Federal Government expenditures in the sector.

"(B) The extent to which each sector is capable of—

"(i) ongoing production with a present capability for high volume production;

"(ii) maintenance of a production base that can be converted to high volume production within a reasonable period of time; or

"(iii) reconstitution of a production base that can reinstate high volume production within a reasonable period of time.

"(2) The analysis shall specifically identify any sectors and any entities within sectors that should be considered for inclusion in the Defense Industrial Reserve under section 2292 of this title.

"(3) In this section:

"(A) The term 'defense expenditure' means an expenditure by—

"(i) the Department of Defense; or

"(ii) the Department of Energy for a national security program.

"(B) The term 'continued viability' means the capability to attain the technology and industrial base objectives set forth in section 2261 of this title.

"(h) ISSUANCE.—The Secretary of Defense shall prescribe by regulation a schedule for the completion of the annual assessment that ensures sufficient time for the consideration of the assessment in the preparation of the annual national defense technology and industrial base plan required by section 2264 of this title.

"§ 2264. National defense technology and industrial base plan

"(a) IN GENERAL.—The National Defense Technology and Industrial Base Council shall prepare an annual plan for ensuring, to the maximum extent practicable, that the policies and programs of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government are planned, coordinated, funded, and implemented in a manner designed to attain each of the technology and industrial base objectives set forth in section 2261 of this title. The Council shall take into account the annual national defense technology and industrial base assessment prepared pursuant to section 2263 of this title in preparing the annual plan.

"(b) SECTOR VIABILITY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for each of the following:

"(1) Programs and policies of the Federal Government that are necessary to ensure the continued viability of each sector that is identified in the annual assessment as being economically dependent in whole or in part upon Federal Government programs or policies.

"(2) Programs and policies of the Federal Government that are necessary in each such sector—

"(A) to reduce each economic dependency of such sector on foreign sources that could create a military vulnerability; and

"(B) to provide for alternative sources in the event that the foreign sources become unavailable.

"(3) The composition and management of the Defense Industrial Reserve under section 2292 of this title.

"(c) MANUFACTURING TECHNOLOGY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for the following:

"(1) The National Defense Manufacturing Technology Program established under section 2281 of this title.

"(2) The support of manufacturing extension programs under section 2283 of this title.

"(3) Programs to enhance basic research in scientific disciplines relating to manufacturing technology through—

"(A) encouraging research in colleges and universities in the United States and in associated centers of excellence; and

"(B) establishing technology transfer mechanisms, and technology education and training mechanisms, that ensure that the results of such research are readily available to United States industry.

"(4) Programs for encouraging the use of computer-integrated manufacturing to improve manufacturing quality, reduce manufacturing costs, reduce production lead times, and improve maintenance.

"(5) Programs for enhancing Department of Defense use of concurrent engineering practices in the design and development of weapon systems.

"(6) Programs providing incentives for firms in the national defense technology and industrial base to use advanced manufacturing technology and processes and to invest in improved productivity.

"(7) Programs for encouraging research in colleges and universities and in other technology development and extension programs in the United States for the development of work systems that build on worker's skill and experience.

"(8) Programs for assisting in the transition to high performance work systems, including ongoing worker involvement in the evaluation, selection, and installation and operation of production technologies and associated organization or work.

"(d) CRITICAL TECHNOLOGIES GUIDANCE.—For each defense critical technology, the plan shall contain the following:

"(1) Specific guidance, including goals, milestones, and priorities, with respect to the development of the technology.

"(2) The specific funding requirements of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government for the development of the technology for the 5 fiscal years following the fiscal year in which the plan is submitted pursuant to subsection (1).

"(3) A designation of the lead organization within the Department of Defense or the Department of Energy to be responsible for the development of the technology.

"(4) A summary description of the lead organization's plan for the development of the technology, including the milestone goals.

"(e) INTEGRATED FINANCING GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to ensure that the financial policies of the Department of Defense and Department of Energy (for national security programs), including the policies identified in section 2263(d)(2)(D) of this title, are designed to meet the industrial and technology base policies set forth in section 2261 of this title.

"(f) CIVIL-MILITARY INTEGRATION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to encourage the effective integration of commercial products and processes into Federal Government acquisition practices with respect to the following:

"(1) Expanding the use of commercial specifications in place of Federal Government specifications.

"(2) Increasing the use of commercial manufacturing processes instead of processes specified by the Federal Government.

"(3) Reducing the extent of unique government regulatory requirements relating to accounting and acquisition.

"(4) Identifying and ensuring the effective application by the Department of Defense and the Department of Energy (for national security programs) of research, technologies, products, information, and practices developed by other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(5) Identifying effective mechanisms for transferring technology and related information, to the maximum extent practicable, from the Department of Defense and Department of Energy to other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(6) Ensuring, to the maximum extent practicable, that technology and related information are so transferred.

"(g) DEFENSE CONVERSION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for providing sectors and businesses at least partially dependent economically on national security expenditures with Federal Government assistance to convert from that dependence to economic viability without such dependence.

"(h) TECHNOLOGY AND INDUSTRIAL BASE WORK FORCE GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to enhance the skills and capabilities of the work force, including high performance, high quality, and high flexibility production, in the national defense technology and industrial base.

"(i) MAJOR PROGRAM ACQUISITION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for enhancing the effectiveness of the major defense acquisition program regulations prescribed pursuant to section 2439 of this title.

"(j) ACQUISITION REFORM GUIDANCE.—(1) The plan shall include any recommended legislation that the Council considers appropriate for eliminating any adverse effect of Federal law on the capability of the national defense technology and industrial base to attain the objectives set forth in section 2261 of this title.

"(2) The plan shall provide specific guidance to ensure that maximum use is made of authority to waive regulations or conduct test programs in pursuit of such objectives.

"(k) FUNDING.—The plan shall ensure effective implementation of the guidance issued under this section by establishing funding priorities for each area of guidance identified under subsections (b) through (h) for each of the periods described in section 2263(b)(1)(B) of this title.

"(l) ISSUANCE.—(1) The Secretary of Defense shall provide the annual plan to the Secretaries of the military departments and the heads of the other elements of the Department of Defense not later than the date on which the Secretary provides such officials with the guidance required by section 113(g)(1) of this title. The Secretary of Energy and the Secretary of Commerce shall provide such guidance to appropriate officials within their respective departments.

"(2) The Secretary of Defense shall transmit to Congress, not later than March 31 of each year—

"(A) the plan prepared under this section, including any changes necessary to reflect the budget submitted by the President during that year under section 1105 of title 31; and

"(B) the national defense technology and industrial base assessment prepared pursuant to section 2263 of this title that pertains to such plan and budget.

"(3) The plan and assessment shall be submitted to Congress in classified and unclassified forms. Proprietary information that may be withheld from disclosure under section 552 of title 5 shall be provided only in the classified version.

"§ 2265. National Defense Program for Analysis of the Technology and Industrial Base

"(a) ESTABLISHMENT.—(1) The National Defense Technology and Industrial Base Council shall establish at an entity described in paragraph (3) a program to be known as the 'National Defense Program for Analysis of the Technology and Industrial Base'.

"(2) The Program shall be an element of the defense acquisition university structure established under section 1746 of this title.

"(3) As determined by the Chairman of the Council, the Program shall be administered by —

"(A) an existing federally funded research and development center;

"(B) a consortium of existing federally funded research and development centers and other nonprofit entities; or

"(C) another appropriate private sector research entity.

"(4) The Chairman shall ensure that there is appropriate consultation and coordination between the Program and the Critical Technologies Institute.

"(b) OVERSIGHT COMMITTEE.—The Program shall have an oversight committee composed of 3 members as follows:

"(1) The Under Secretary of Defense for Acquisition, or his designee, who shall serve as Chairman of the operating committee.

"(2) An official designated by the Secretary of Energy.

"(3) An official designated by the Secretary of Commerce.

"(c) MISSIONS.—The missions for the Program shall include, with respect to the national defense technology and industrial base, the following:

"(1) The assembly of timely and authoritative information.

"(2) Initiation of studies and analyses.

"(3) Provision of technical support and assistance to—

"(A) the Council in the preparation of the annual assessment required by section 2263 of this title and the annual plan required by section 2264 of this title;

"(B) the defense acquisition university structure and its elements; and

"(C) other departments and agencies of the Federal Government in accordance with guidance established by the Council.

"(4) Dissemination, through the National Technical Information Service of the Department of Commerce, of unclassified information and assessments for further dissemination within the Federal Government and to the private sector.".

(b) TECHNOLOGY AND INDUSTRIAL BASE PLANNING FOR MAJOR DEFENSE PROGRAMS.—(1) Chapter 144 of title 10, United States

Code, is amended by inserting after section 2438 the following new section:

"§ 2439. Major programs: technology and industrial base plans

"(a) ACQUISITION PLAN REQUIREMENTS.—The Secretary of Defense shall prescribe regulations requiring consideration of the national defense technology and industrial base in the development and implementation of acquisition plans for each major defense acquisition program.

"(b) CONTENT OF ACQUISITION PLANS.—The acquisition plan for each major defense acquisition program shall include provisions for the following:

"(1) An analysis of the capabilities of the national defense technology and industrial base to develop, produce, maintain, and support such program, including consideration of the factors set forth in section 2263(c) of this title.

"(2) Consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the program.

"(3) The use of advanced manufacturing technology, processes, and systems during the research and development phase and the production phase of the program.

"(4) To the maximum extent practicable, the use of contract solicitations that encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life-cycle costs.

"(5) Encouragement of investment by United States domestic sources in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment, processes, and organization of work systems that build on workers' skill and experience, and work force skill development in the development of the contract objective; and

"(B) increased emphasis in source selections on the efficiency of production.

"(6) Expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense.

"(7) Elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under Department of Defense contracts.

"(8) Expanded use of commercial products as set forth in section 2325 of this title.".

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 2438 the following new item:

"2439. Major programs: technology and industrial base plans.".

(c) IMPLEMENTATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including milestones for actions, to ensure the timely and thorough collection of information, completion of assessments, and issuance of plans required by the provisions of subchapter I of chapter 135 of title 10, United States Code, as added by subsection (a).

(2)(A) The first annual assessment required by section 2263 of such title shall be completed not later than September 30, 1993.

(B) The first annual plan required by section 2264 of such title shall be completed not later than November 15, 1993.

(C) The Secretary may prescribe regulations authorizing the presentation of information in a preliminary form in the first annual assessment and the first annual plan to the extent that the necessary information cannot reasonably be collected, analyzed, or presented in accordance with section 2263 or 2264, respectively, of title 10, United States Code, by the dates specified in subparagraphs (A) and (B).

(3) The National Defense Technology and Industrial Base Council shall establish the National Defense Center for Analysis of the Technology and Industrial Base not later than 6 months after the date of the enactment of this Act. The Secretary of Defense shall ensure that a contract solicitation is issued and a contract is awarded in a timely manner to facilitate the establishment of the Center within the period set forth in the preceding sentence.

SEC. 802. DEFENSE DUAL-USE TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) DEFENSE DUAL-USE TECHNOLOGIES.—(1) Chapter 135 of title 10, United States Code (as added by section 801(a)), is amended by adding after subchapter II the following:

"SUBCHAPTER II—DUAL-USE TECHNOLOGIES

"Sec.
"2271. Defense dual-use critical technology partnerships.
"2272. Commercial-military integration partnerships.
"2273. Regional technology alliances assistance program.
"2274. Office for Foreign Defense Critical Technology Monitoring and Assessment.
"2275. Overseas foreign critical technology monitoring and assessment financial assistance program.
"2276. Encouragement of technology transfer.".

(2) Section 2523 of title 10, United States Code, (relating to defense dual-use critical technology partnerships) is—

(A) transferred to subchapter II of chapter 135 of such title (as added by paragraph (1));

(B) inserted following the table of sections; and

(C) redesignated as section 2271.

(3) Subchapter II of such chapter, as added by paragraph (1) and amended by paragraph (2), is further amended by inserting after section 2271 the following new section:

"§ 2272. Commercial-military integration partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense shall conduct a program providing for the establishment of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between the Department of Defense and entities referred to in section 2271(b) of this title in order to encourage and provide for research, development, and application of technologies to attain the national defense technology and industrial base objectives set forth in section 2261 of this title.

"(b) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, and enter into cooperative agreements and other transactions pursuant to section 2371 of this title in order to establish the partnerships.

"(2) The Secretary may not enter into a partnership under this section for a period longer than 5 years.

"(3) The Secretary may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section, subject to the limitations in subsection (c).

"(c) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Secretary under a partnership does not exceed maximum authorized percentage of the total cost of partnership activities.

"(2) The maximum authorized percentage of Federal Government funding referred to in paragraph (1) for each year of a partnership is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third year.

"(D) 20 percent in the fourth year.

"(E) 10 percent in the fifth year.

"(3)(A) The Secretary shall prescribe regulations to provide for consideration of in-kind contributions by non-Federal Government participants in a partnership for the purpose of determining the share of the partnership costs that has been or is being undertaken by such participants.

"(B) The regulations shall also ensure that the in-kind contributions of nonprofit institutions and small businesses are considered included, to the maximum extent practicable, in the non-Federal Government share of the cost of the partnership.

"(d) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(e) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the following:

"(1) The extent to which the program proposed to be conducted by the partnership advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program proposed to be conducted by the partnership.

"(3) The qualifications of the personnel proposed to participate in the partnership's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(5) The potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for the industrial and technology base.

"(6) The extent of the financial commitment of the eligible firms to the proposed partnership.

"(7) The likelihood that the partnership will develop technologies that are sufficiently viable in the commercial sector so that such technologies will be available to meet the future reconstitution requirements and other needs of the Department of Defense described in the annual national defense technology and industrial base plan prepared under section 2264 of this title.

"(8) The likelihood that, within 5 years after the establishment of the partnership (or a lesser period established by the Secretary), Federal Government funding of the partnership will not be necessary.

"(9) Such other criteria as the Secretary prescribes.

"(f) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense and the Under Secretary of Defense for Acquisition, the Director of Defense Research and Engineering shall perform the duties of the Secretary of Defense under this section.".

(4) Section 2524 of title 10, United States Code (relating to critical technology application centers) is—

(A) transferred to subchapter II of chapter 135, as added by paragraph (1) and amended by paragraphs (2) and (3);

(B) inserted at the end of that subchapter; and

(C) amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2273. Regional technology alliances assistance program";

(ii) by striking out "regional critical technology application centers" in subsection (a) and inserting in lieu thereof "regional technology alliances";

(iii) by striking out "regional critical technology application center" in subsection (b) and inserting in lieu thereof "regional technology alliance";

(iv) by striking out "critical technology application center" and "center" each time such terms appear and inserting in lieu thereof "regional technology alliance"; and

(v) by striking out "2523" in subsection (g) and inserting in lieu thereof "2271".

(5) Section 2525 of title 10, United States Code (relating to the Office for Foreign Defense Critical Technology Monitoring and Assessment), and section 2526 of such title (relating to the overseas foreign critical technology monitoring and assessment financial assistance programs) are—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (2) through (4);

(B) inserted at the end of that subchapter; and

(C) redesignated as sections 2274 and 2275, respectively.

(6) Subsection (a) of section 2274 of such title (as redesignated by paragraph (5)) is amended by inserting "Critical" after "Foreign Defense".

(7) Section 2363 of title 10, United States Code (relating to encouragement of technology transfer), is—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (1) through (5);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2276.

(b) FUNDING.—Of the amounts authorized to be appropriated under section 201—

(1) $100,000,000 shall be available for defense dual-use critical technology partnerships;

(2) $50,000,000 shall be available for commercial-military integration partnerships;

(3) $100,000,000 shall be available for defense regional technology alliances; and

(4) $2,000,000 shall be available for the overseas critical technology monitoring and assessment financial assistance program.

SEC. 803. ESTABLISHMENT OF OFFICE OF TECHNOLOGY TRANSITION.

(a) ESTABLISHMENT.—(1) Subchapter II of chapter 135 of title 10, United States Code (as added by section 802), is amended by adding at the end the following:

"§ 2277. Office of Technology Transition

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish within the Office of the Secretary of Defense an Office of Technology Transition.

"(b) PURPOSE.—The purpose of the Office shall be to ensure, to the maximum extent practicable, that technology developed for national security purposes is integrated into the private sector of the United States in order to enhance the national defense technology and industrial base.

"(c) SPECIFIC DUTIES.—The head of the Office shall ensure that the Office—

"(1) monitors all research and development activities that are carried out by or for the military departments and Defense Agencies, including research and development that is conducted by or for—

"(A) the Strategic Defense Initiative Organization;

"(B) the Advanced Research Projects Agency; and

"(C) the Defense Nuclear Agency;

"(2) identifies all such research and development activities that use technologies, or result in technological advancements, having potential nondefense commercial applications;

"(3) serves as a clearinghouse for, coordinates, and otherwise actively facilitates the transition of such technologies and technological advancements from the Department of Defense to the private sector;

"(4) conducts its activities in consultation and coordination with the Department of Energy; and

"(5) provides private firms with assistance to resolve problems associated with security clearances, proprietary rights, and other legal considerations involved in such a transition of technology.

"(d) REPORTING REQUIREMENT.—The Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives an annual report on the activities of the Office at the same time that the budget is submitted to Congress by the President pursuant to section 1105 of title 31. The report shall contain a discussion of the accomplishments of the Office during the fiscal year preceding the fiscal year in which the report is submitted.".

(2) The table of sections at the beginning of subchapter II of such chapter (as added by section 802) is amended by inserting after the item relating to section 2276 the following:

"2277. Office of Technology Transition.".

(b) SCHEDULE FOR ESTABLISHMENT.—The Office of Technology Transition shall commence operations within 180 days after the date of the enactment of this Act.

(c) REPORTING REQUIREMENTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the establishment of the Office of Technology Transition. The report shall contain a description of the organization of the Office, the staffing of the Office, and the activities undertaken by the Office.

(2) Notwithstanding section 2277(d) of title 10, United States Code (as added by subsection (a))—

(A) the first report under that section shall be submitted not later than 1 year after the date of the enactment of this Act; and

(B) no additional report is necessary under that section in the fiscal year in which such first report is submitted.

SEC. 804. DEFENSE DUAL-USE MANUFACTURING TECHNOLOGY PROGRAMS.

(a) NATIONAL DEFENSE MANUFACTURING TECHNOLOGY PROGRAM.—(1) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802 and 803, is further amended by adding after subchapter II the following new subchapter:

"SUBCHAPTER III—MANUFACTURING TECHNOLOGY

"Sec.

"2281. National Defense Manufacturing Technology Program.

"2282. Defense advanced manufacturing technology partnerships.

"2283. Manufacturing extension programs.

"§ 2281. National Defense Manufacturing Technology Program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish a National Defense Manufacturing Technology Program to—

"(1) provide centralized guidance and direction, including goals, milestones, and priorities, to the military departments and the Defense Agencies on all matters relating to manufacturing technology;

"(2) direct the development and implementation of Department of Defense plans, programs, projects, activities, and policies that promote the development and application of advanced technologies to manufacturing processes, tools, and equipment;

"(3) improve the manufacturing quality, productivity, technology, and practices of businesses and workers providing goods and services to the Department of Defense;

"(4) promote dual-use manufacturing processes;

"(5) disseminate to such businesses information concerning improved manufacturing improvement concepts, including information on such matters as best manufacturing practices, product data exchange specifications, computer-aided acquisition and logistics support, and rapid acquisition of manufactured parts;

"(6) sustain and enhance the skills and capabilities of the manufacturing work force;

"(7) promote high-performance work systems, with development and dissemination of production technologies that build upon the skills and capabilities of the work force, high levels of worker education and training, and work force participation in the evaluation, selection, and implementation of new production technologies; and

"(8) ensure appropriate coordination between the manufacturing technology programs and industrial preparedness programs of the Department of Defense and similar programs undertaken by other departments and agencies of the Federal Government or by the private sector.

"(b) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE PLAN.—The Secretary shall ensure that the program is developed and implemented in accordance with the manufacturing technology guidance set forth in the national defense technology and industrial base plan prepared under section 2264 of this title.

"(c) ANNUAL REVISIONS.—The Secretary shall revise the program not later than March 15 of each year. Each revision shall identify each manufacturing technology program, project, or activity of the Department of Defense and the amounts provided for each such program, project, and activity in the budget submitted by the President under section 1105 of title 31 for the fiscal year beginning in that year.

"(d) PROGRAM LIMITATION.—A manufacturing technology program, project, or activity of the Department of Defense may be conducted only to the extent provided for in the National Defense Manufacturing Technology Program. However, such a program, project, or activity may be conducted in excess of the limitation in the preceding sentence if it is designated by the Secretary of Defense as a higher priority matter.

"(e) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.".

(2) Section 203(d) of the National Defense Authorization Act for Fiscal Year 1992 and

1993 (Public Law 102-190; 105 Stat. 1315) is repealed.

(b) DEFENSE ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.—(1) Section 2518 of title 10, United States Code (relating to defense advanced manufacturing technology partnerships), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1);

(B) inserted at the end of that subchapter;

(C) redesignated as section 2282; and

(D) amended in subsection (d)(1) by striking out "section 2523(f)" and inserting in lieu thereof "section 2271(f)".

(2) Of the amounts made available pursuant to section 203(4), $25,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2282 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(c) MANUFACTURING TECHNOLOGY EXTENSION PROGRAMS.—(1) Section 2517 of title 10, United States Code (relating to manufacturing extension programs), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1) and amended by subsection (b);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2283.

(2) Of the amounts authorized to be appropriated under section 201, $100,000,000 shall be available for support of manufacturing technology extension programs under section 2283 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(d) DEFENSE MANUFACTURING ENGINEERING EDUCATION PROGRAM.—Of the amounts authorized to be appropriated under section 201, $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of title 10, United States Code.

(e) DEFENSE MANUFACTURING EXPERTS IN THE CLASSROOM PROGRAM.—(1)(A) Section 2197 of title 10, United States Code, is amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2197. Manufacturing experts in the classroom";

(ii) in subsection (a), by striking out "managers and" in the matter above paragraph (1); and

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

"(e) MANUFACTURING EXPERT DEFINED.—In this section, the term 'manufacturing expert' means manufacturing managers and workers having experience in the organization of production and education and training needs and other experts in manufacturing.".

(B) The table of sections at the beginning of chapter 111 of such title is amended by striking out the item relating to section 2197 and inserting in lieu thereof the following:

"2197. Manufacturing experts in the classroom.".

(2) Of the amounts authorized to be appropriated under section 201, $5,000,000 shall be available for the manufacturing experts in the classroom program under section 2197 of title 10, United States Code.

SEC. 805. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE DUAL-USE ASSISTANCE EXTENSION PROGRAMS.

(a) EXTENSION PROGRAMS.—Chapter 135 of title 10, United States Code, as added by section 801(a) and as amended by sections 802, 803, and 804, is further amended by adding at the end the following:

"SUBCHAPTER IV—MISCELLANEOUS TECHNOLOGY BASE POLICIES AND PROGRAMS

"Sec.
"2291. Defense dual-use assistance extension program.
"2292. Defense Industrial Reserve.

"§ 2291. Defense dual-use assistance extension program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Energy and the Secretary of Commerce, shall establish a program to achieve the national defense technology and industrial base objectives set forth in section 2261 of this title by providing support to entities referred to in subsection (b) for programs described in that subsection.

"(b) PROGRAMS SUPPORTED.—The Secretary may provide support under this section for programs sponsored by the Federal Government, regional entities, States, local governments, and private entities and nonprofit organizations that assist firms whose businesses and workers economically dependent on Department of Defense expenditures to acquire dual-use capabilities through the provision under those programs of the following services:

"(1) Assistance in converting from government-oriented management, production, training, business planning, and marketing practices to commercial practices.

"(2) Assistance in making improvements necessary for conversion to commercial markets and practices and in acquiring and using public and private sector resources, literature, and other information concerning—

"(A) research, development, and production processes and practices;

"(B) identification and development of technologies and products having the potential for defense and nondefense commercial applications;

"(C) marketing practices and opportunities;

"(D) identification of potential suppliers, partners, and subcontractors;

"(E) identification of opportunities for government support, including support through grants, contracts, partnerships and consortia;

"(F) enhancement of work force skills and capabilities, including development and introduction of high performance workplace systems, employee and participative management systems, workforce literacy programs, programs to encourage employee ownership, worker education and training, work force participation in the evaluation, selection, and implementation of new production technologies; and

"(G) trade and export assistance.

"(c) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, enter into cooperative agreements and other transactions pursuant to section 2371 of this title, and transfer funds to another department or agency of the Federal Government in carrying out this section.

"(2) Subject to subsection (d), the Secretary may provide a program referred to in subsection (b) with technical and other assistance.

"(d) FINANCIAL COMMITMENT OF NON-DEPARTMENT OF DEFENSE PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Department of Defense for a program under this section does not exceed the maximum authorized percentage of the combined amount provided by the Department of Defense and all other sources of funding for the program for any year.

"(2) The maximum authorized percentage of Department of Defense funding referred to in paragraph (1) for each year of Department of Defense assistance for a program under this section is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third and following years.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the selection of programs to receive assistance under this section.

"(f) SELECTION CRITERIA.—The criteria for the selection of a program to receive assistance under this section shall include the following:

"(1) The extent to which the program advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program.

"(3) The qualifications of the personnel proposed to participate in the program's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities that is sufficient to achieve the goals and objectives of the programs.

"(5) The potential effectiveness of the program in the conversion of businesses, including their work forces from capabilities that make the companies economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

"(6) The ability of the program to assist businesses, including their work forces, adversely affected by significant reductions in Department of Defense spending.

"(7) The extent of the financial commitment by sources other than the Department of Defense.

"(8) The extent to which the program would supplement, rather than duplicate, other available services.

"(9) The likelihood that, within 5 years after the commencement of assistance for a program under this section (or a lesser period established by the Secretary), Department of Defense assistance will not be necessary to sustain the program.

"(10) Such other criteria as the Secretary prescribes.

"(g) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.

"(h) TERMINATION OF AUTHORITY.—This section shall cease to be effective on September 30, 1997.".

(b) FUNDING.—(1) Of the amounts authorized to be appropriated under section 201, $200,000,000 shall be available for defense dual-use extension programs under section 2291 of title 10, United States Code (as added by subsection (a)), of which not less than $50,000,000 shall be made available to regional, State, and local government programs.

(2) Of funds authorized to be appropriated to the Department of Defense for fiscal year 1993 by this Act, the Secretary may transfer not more than $50,000,000 to the appropriations made available for the support of defense dual-use extension programs under such section 2291. Amounts so transferred shall be merged with, and be available for the same purpose and the same period as, the appropriations to which transferred. The authority to transfer funds under this para-

graph is in addition to any other transfer authority provided for the Secretary of Defense under this or any other Act.

SEC. 806. ADDITIONAL STATUTORY REORGANIZATION.

(a) TECHNOLOGY AND INDUSTRIAL BASE AMENDMENTS.—(1)(A) Subchapter IV of chapter 135 of title 10, United States Code, as added by section 805, is amended by adding at the end, without text, the following new section:

"§ 2292. Defense Industrial Reserve".

(B) The text of section 2 of the Defense Industrial Reserve Act (50 U.S.C. 451) is—

(i) transferred to section 2292;

(ii) inserted below the section heading; and

(iii) amended by striking out "In enacting this Act, it" and inserting in lieu thereof the following: "(a) DECLARATION OF PURPOSE AND POLICY.—It".

(C) The text of section 4 of that Act (50 U.S.C. 453) is—

(i) transferred to section 2292;

(ii) inserted following subsection (a), as designated in the amendment made by subparagraph (B)(iii); and

(iii) amended—

(I) by striking out "(a) To execute the policy set forth in this Act," and inserting in lieu thereof the following: "(b) POWERS AND DUTIES OF THE SECRETARY OF DEFENSE.—(1) To execute the policy set forth in this section,";

(II) by striking out "(1) determine" and inserting in lieu thereof "(A) determine";

(III) by striking out "(2) designate" and inserting in lieu thereof "(B) designate";

(IV) by striking out "(3) establish" and inserting in lieu thereof "(C) establish";

(V) by striking out "(4) direct" and inserting in lieu thereof "(D) direct";

(VI) by striking out "(5) direct" and inserting in lieu thereof "(E) direct";

(VII) by striking out "(6) authorize" and inserting in lieu thereof "(F) authorize";

(VIII) by striking out "(7) authorize" and all that follows through "(B) such institution" and inserting in lieu thereof "(G) authorize and regulate the lending of any such property to any nonprofit educational institution or training school whenever (i) the program proposed by such institution or school for the use of such property will contribute materially to national defense, and (ii) such institution";

(IX) by striking out "(b)(1) The Secretary" and inserting in lieu thereof "(2)(A) The Secretary";

(X) by striking out "(A) storage" and inserting in lieu thereof "(i) storage";

(XI) by striking out "(B) repair" and inserting in lieu thereof "(ii) repair";

(XII) by striking out "(C) overhead" and inserting in lieu thereof "(iii) overhead"; and

(XIII) by striking out "(2) The Secretary of Defense shall prescribe regulations" and inserting in lieu thereof "(B) The Secretary of Defense shall prescribe regulations".

(D) The text of section 3 of that Act (50 U.S.C. 452) is—

(i) transferred to section 2292;

(ii) inserted following subsection (b), as designated in the amendment made by subparagraph (C)(iii)(I); and

(iii) amended by striking out "As used in this Act—" and inserting in lieu thereof "(c) DEFINITIONS.—In this section:".

(2)(A) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802, 803, 804, and 805 and by paragraph (1), is further amended by inserting at the end the following subchapter:

"SUBCHAPTER V—DEFINITIONS

"Sec.

"2300. Definitions.

"§ 2300. Definitions

"In this chapter:

"(1) The term 'national defense technology and industrial base' means the persons and organizations that are engaged in research, development, production, or maintenance activities the majority of which are conducted within the United States and Canada.

"(2) The term 'dual-use' with respect to products, services, standards, processes, or acquisition practices, means products, services, standards, processes, or acquisition practices, respectively, that are capable of meeting requirements for private sector commercial acquisitions as well as public sector acquisitions.

"(3) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(4) The terms 'technology and industrial base sector' and 'sector' mean a group of public or private persons and organizations that engage in, or are capable of engaging in, similar research, development, or production activities.

"(5) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(6) The term 'critical technology' means a technology that is—

"(A) a national critical technology; or

"(B) a defense critical technology.

"(7) The term 'national critical technology' means a technology that appears on the list of national critical technologies contained in the most recent biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)).

"(8) The term 'defense critical technology' means a technology that appears on the list of critical technologies contained, pursuant to subsection (f) of section 2263 of this title, in the most recent national defense technology and industrial base assessment submitted to Congress by the Secretary of Defense pursuant to section 2264(1) of this title.

"(9) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.

Such term includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(10) The term 'manufacturing technology' means techniques and processes designed to improve manufacturing quality, productivity, and practices, including quality control, shop floor management, inventory management, and worker training, as well as manufacturing equipment and software.

"(11) The term 'manufacturing extension program' means a public or private, nonprofit program for the improvement of the quality, productivity, and performance of United States-based small manufacturing firms in the United States.

"(12) The term 'United States-based small manufacturing firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees; and

"(C) is an eligible firm.".

(B) Until the first annual national defense technology and industrial base assessment is submitted to Congress by the Secretary of Defense pursuant to section 2264(1) of title 10, United States Code (as added by section 801(a)), the reference to the most recent such assessment in section 2300(8) of such title (as added by subparagraph (A)) shall be deemed to refer to the most recent annual critical defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of such title as in effect on the date of the enactment of this Act.

(3) The annual national defense technology and industrial base assessment submitted to Congress pursuant to section 2264(1) of title 10, United States Code (as added by section 801(a)), during each year through 1995 shall include a specific assessment of the capability of the domestic textile and apparel industrial base of the United States to support national defense mobilization requirements. Each such assessment shall include the following:

(A) An identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by domestic industries.

(B) An assessment of the effect that any inadequacy in the textile and apparel industrial base would have on a mobilization.

(C) Recommendations for ways to alleviate any such inadequacy that the Secretary considers critical to national defense mobilization requirements.

(b) CONFORMING REORGANIZATION OF TITLE 10.—(1) Part IV of subtitle A of title 10, United States Code, is amended—

(A) by redesignating the chapter 135 (relating to encouragement of aviation) in effect on the day before date of the enactment of this Act as chapter 151; and

(B) by transferring such chapter, as so redesignated, within part IV of such subtitle so as to appear in sequence immediately before chapter 152.

(2) Such chapter is amended as follows:

(A) Sections 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, and 2279 are redesignated as 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, and 2539, respectively.

(B) Subsection (a) of section 2532, as so redesignated, is amended by striking out "section 2271" and inserting in lieu thereof "section 2531".

(C) Subsection (a) of section 2533, as so redesignated, is amended by striking out "section 2272" and inserting in lieu thereof "section 2532".

(D) Subsection (b) of section 2534, as so redesignated, is amended by striking out "sections 2272(f) and 2279 of this title but are not subject to section 2271(a)–(d) and 2272(a)" and inserting in lieu thereof "sections 2532(f) and 2539 of this title but are not subject to section 2531(a)–(d) and 2532(a)".

(c) TRANSFERS OF SECTIONS.—(1) Section 2504 of title 10, United States Code, is—

(A) transferred to subchapter II of chapter 138 of such title;

(B) inserted at the end of that subchapter;

(C) redesignated as 2350j; and

(D) amended in subsection (a)(1) by striking out "defense industrial base" and inserting in lieu thereof "defense technology and industrial base".

(2) Section 2505 of such title is—

(A) transferred to chapter 141 of such title, as amended by section 363 of this Act;

(B) inserted at the end of that chapter; and

(C) redesignated as section 2410d.

(3) Section 2507 of such title is—

(A) transferred to chapter 141 of such title, as amended by paragraph (2);

(B) inserted at the end of that chapter; and

(C) amended—

(i) by striking out subsection (c); and

(ii) by striking out the section heading and inserting in lieu thereof the following:

"§ 2410e. Miscellaneous limitations on the procurement of goods other than United States goods".

(4)(A) Section 2506 of such title is amended—

(i) in subsection (a)—

(I) by striking out "(a) Funds" and inserting in lieu thereof "(c) PROCUREMENT OF NON-AMERICAN GOODS GENERALLY.—(1) Funds";

(II) by striking out "(as defined in subsection (c))" in the matter above paragraph (1); and

(III) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively;

(ii) in subsection (b), by striking out "(b) Consideration of the matters referred to in paragraphs (1) through (6) of subsection (a)" and inserting in lieu thereof "(2) Consideration of the matters referred to in subparagraphs (A) through (F) of paragraph (1)"; and

(iii) in subsection (c)—

(I) by striking out "(c) In this section," and inserting in lieu thereof "(3) In this subsection,"; and

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

(B) The text of such section, as so amended, is transferred to section 2410e of title 10, United States Code, as added by paragraph (3), and is inserted following subsection (b) of that section.

(d) CONFORMING REPEALS.—(1) Section 2330 of title 10, United States Code, is repealed.

(2)(A) Part IV of subtitle A of such title is amended by striking out chapters 148, 149, and 150.

(B) The tables of chapters at the beginning of subtitle A of such title and part IV of such subtitle are amended by striking out the items relating to chapters 148, 149, and 150.

(3) The Defense Industrial Reserve Act (50 U.S.C. 450 et seq.) is repealed.

(e) TABLES OF SECTIONS.—(1) The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2330.

(2) The table of sections at the beginning of subchapter II of chapter 138 of such title is amended by adding at the end the following:

"2350j. Defense memoranda of understanding and related agreements.".

(3) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2363.

(4) The table of sections at the beginning of chapter 141 of such title, as amended by section 363 of this Act, is further amended by adding at the end the following:

"2410d. Offset policy: notification.

"2410e. Miscellaneous limitations on the procurement of goods other than United States goods.".

SEC. 807. SMALL BUSINESS INNOVATION RESEARCH PROGRAM IN THE DEPARTMENT OF DEFENSE.

(a) AMOUNTS AVAILABLE.—For each fiscal year after fiscal year 1993, funds authorized to be appropriated to a military department or a Defense Agency of the Department of Defense for research, development, test and evaluation shall be available for research activities and for research and development activities under the Small Business Innovation Research Program in amounts as follows:

(1) For fiscal year 1993, 1.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(2) For fiscal year 1994, 2 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(3) For fiscal year 1995, and each fiscal year thereafter, 2.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(b) LIMITATION ON PROGRAM AWARDS.—Amounts paid to a small business concern by the Department of Defense under the Small Business Innovation Research Program for a project—

(1) in phase I under the program may not exceed $100,000; and

(2) in phase II under the program may not exceed $750,000.

(c) COMMERCIAL APPLICATIONS STRATEGY.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Administrator of the Small Business Administration, shall develop and issue a strategy for effectuating the transition of successful projects under the Small Business Innovation Research Program from phase II under the program into phase III under the program.

(d) PROGRAM MANAGEMENT.—The Director of Defense Research and Engineering and the Director of the Office of Small and Disadvantaged Business Utilization of the Department of Defense shall be responsible for the participation of the military departments and Defense Agencies in the Small Business Innovation Research Program.

(e) EXTENSION OF PROGRAM.—Section 5 of Public Law 97-219 (15 U.S.C. 638 note) is amended—

(1) by striking out "Effective October 1, 1993, paragraphs" and inserting in lieu thereof "Paragraphs"; and

(2) by striking out "are repealed" and inserting in lieu thereof "shall cease to be effective with respect to departments and agencies of the Federal Government other than the Department of Defense on October 1, 1993, and are repealed effective October 1, 2000".

(f) DEFINITIONS.—In this section:

(1) The term "Small Business Innovation Research Program" means the Small Business Innovation Research Program carried out pursuant to paragraphs (4) through (7) of subsection (b) of section 9 of the Small Business Act (15 U.S.C. 638) and subsections (e) through (k) of such section.

(2) The term "extramural budget" has the meaning given that term in subsection (e)(1) of such section.

(3) The term "phase I", with respect to the Small Business Innovation Research Program, means the first phase described in subsection (e)(4)(A) of such section.

(4) The term "phase II", with respect to the Small Business Innovation Research Program, means the second phase described in subsection (e)(4)(B) of such section.

(5) The term "phase III", with respect to the Small Business Innovation Research Program, means the third phase described in subsection (e)(4)(C) of such section.

(g) EFFECTIVE DATE AND APPLICABILITY.—This section shall take effect on October 1, 1992.

SEC. 808. DUAL-USE DEFENSE CONVERSION PRIORITY.

During fiscal year 1993, the Secretary of Defense shall give priority in the allocation of funds under subchapters II, III, and IV of chapter 135 of title 10, United States Code (as added by sections 802 through 805) and the Small Business Innovation Research Program referred to in section 807, to the maximum extent practicable, to programs, projects, and activities that provide significant assistance for converting the capabilities of businesses that are economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

SEC. 809. STATUTORY CHARTER FOR THE ADVANCED RESEARCH PROJECTS AGENCY.

(a) STATUTORY CHARTER.—(1) Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following:

"§ 203. Advanced Research Projects Agency

"(a) IN GENERAL.—The Advanced Research Projects Agency is a Defense Agency.

"(b) DIRECTOR.—(1) The head of the agency is the Director.

"(2) The Director is appointed by the President, by and with the advice and consent of the Senate. The Secretary of Defense shall recommend persons for appointment to the position of Director.

"(3) Subject to the authority, direction, and control of the Secretary of Defense, the Director shall perform the functions and duties provided in subsection (d).

"(c) DEPUTY DIRECTOR.—(1) There is a Deputy Director of the agency who is appointed by the Director with the approval of the Secretary of Defense.

"(2) The Deputy Director shall perform such duties and exercise such authority as may be prescribed by the Director with the approval of the Secretary of Defense.

"(3) When there is a vacancy in the office of Director or in the absence or disability of the Director, the Deputy Director shall act as Director and perform the duties, and exercise the authority, of the Director until a successor is appointed or the absence or disability ceases.

"(d) FUNCTIONS AND DUTIES.—(1) The Advanced Research Projects Agency is the central research and development organization of the Department of Defense. It is a primary responsibility of the agency to maintain the technological superiority of the United States over the potential adversaries of the United States.

"(2) The agency shall—

"(A) together with United States industry, Federal laboratories, and colleges and universities, pursue—

"(i) imaginative and innovative research and development projects having significant potential for both military and commercial applications; and

"(ii) imaginative and innovative research and development projects having significant potential solely for military applications;

"(B) support and stimulate a national technology base that—

"(i) serves both civilian and military purposes through enhanced technology sharing and otherwise; and

"(ii) by so serving both purposes, increases the productivity of both the civilian and military sectors;

"(C) manage and direct the conduct of basic and applied research and development that exploits scientific breakthroughs and demonstrates the feasibility of revolutionary approaches for improved cost and performance of advanced technology having future military applications, including advanced technology also having future civilian applications; and

"(D) stimulate increased emphasis on prototyping in defense systems and subsystems—

"(i) by conducting prototype projects embodying technology that might be incorporated in joint programs, programs in support of deployed forces, or selected programs of the military departments; and

"(ii) on request of the Secretary of a military department, by assisting that military department in any prototyping program of the military department.

"(3) The agency may, when requested and supported by a department or agency of the Federal Government not primarily involved in the performance of national security functions, manage and direct the conduct of basic and applied research and development of any other advanced technology that can be applied to increase the capability of that department or agency to attain mission objectives of the department or agency.

"(e) OTHER DUTIES.—The agency shall perform any additional duties that the Secretary of Defense assigns.".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by inserting at the end the following:

"203. Advanced Research Projects Agency.".

(b) RELATED AND OTHER DEFENSE RESEARCH AMENDMENTS.—(1)(A) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(B) Section 5316 of such title is amended by striking out the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(2)(A) Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Director of Defense Research and Engineering, Department of Defense.".

(B) Section 5315 of such title is amended by striking out the following:

"Director of Defense Research and Engineering.".

(3) Section 101(44)(B) of title 10, United States Code, is amended by inserting "by law or" after "designated".

(4) Section 2371(a) of such title is amended by striking out "Defense Advanced Research Projects Agency" and inserting in lieu thereof "Advanced Research Projects Agency".

(c) REFERENCE IN OTHER LAW.—Any reference in any other law to the Defense Advanced Research Projects Agency shall be deemed to refer to the Advanced Research Projects Agency.

SEC. 810. INDUSTRIAL DIVERSIFICATION PLANNING FOR DEFENSE CONTRACTORS.

(a) INCENTIVES.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations to encourage defense contractors to engage in industrial diversification planning.

(2) Such regulations shall include—

(A) treatment of industrial diversification planning expenditures as allowable costs under Department of Defense contracts,

(B) treatment of industrial diversification research and development activities as permissible independent research and development expenditures, and

(C) such other incentives as the Secretary of Defense deems appropriate to encourage defense contractors to engage in industrial diversification planning.

(b) DEFINITION.—For purposes of this section, the term "industrial diversification" means conversion from government-oriented management, production, training, and marketing practices to practices that are compatible with the commercial marketplace.

SEC. 810A. CLARIFICATION OF PARTICIPANTS IN DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.

Section 2271(b) of title 10, United States Code (as redesignated by section 802(a)(2)), is amended by inserting "government-owned and operated industrial facilities," after "Federal laboratory or laboratories".

DEPARTMENT AND DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993

The text of the original bill (S. 3140) to authorize appropriations for fiscal year 1993 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 3140

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 "Department of Defense Authorization Act for Fiscal Year 1993".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE I—PROCUREMENT

Subtitle A—Funding Authorizations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Army as follows:

(1) For aircraft, $1,328,909,000.

(2) For missiles, $1,037,893,000.

(3) For weapons and tracked combat vehicles, $839,841,000.

(4) For ammunition, $764,280,000.

(5) For other procurement, $3,032,220,000.

SEC. 102. NAVY AND MARINE CORPS.

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

(1) For fiscal year 1993 for aircraft, $5,950,477,000.

(2) For fiscal year 1993 for weapons, $3,538,948,000.

(3) For shipbuilding and conversion:

(A) For fiscal year 1993, $5,526,463,000.

(B) For fiscal year 1994, $482,200,000.

(4) For fiscal year 1993 for other procurement, $5,722,283,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Marine Corps in the amount of $690,127,000.

(c) TRANSFER AUTHORITY.—(1) To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1992 for shipbuilding and conversion that remain available for obligation, $666,609,000 to the appropriations for the Navy for fiscal year 1993 for shipbuilding and conversion. The transfer authority under this subsection shall not extend the period of availability for obligation of amounts transferred pursuant to such authority.

(2) The transfer authority provided in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Air Force as follows:

(1) For aircraft, $9,274,999,000.

(2) For missiles, $4,125,590,000.

(3) For other procurement, $8,100,970,000.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Defense Agencies in the amount of $2,538,963,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement for the Inspector General of the Department of Defense in the amount of $500,000.

SEC. 106. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $130,000,000.

(2) For the Air National Guard, $255,100,000.

(3) For the Army Reserve, $75,000,000.

(4) For the Naval Reserve, $75,000,000.

(5) For the Air Force Reserve, $40,000,000.

(6) For the Marine Corps Reserve, $55,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1993 for 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 note), in the amount of $517,300,000.

Subtitle B—Army Programs

SEC. 111. AH-64 APACHE HELICOPTER MODIFICATIONS.

Section 113 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1304) is repealed.

SEC. 112. ARMORED VEHICLE UPGRADES.

(a) TANK UPGRADES.—Notwithstanding any other provision of law, to the extent provided in appropriations Acts, funds received from the sale of tanks by the United States under the Arms Export Control Act during fiscal years 1990 and 1991 and sales of tanks by the United States under that Act after fiscal year 1992 shall be available, until expended, for the upgrading of tanks for fielding to the Army.

(b) INFANTRY VEHICLE UPGRADES.—Notwithstanding any other provision of law, to the extent provided in appropriations Acts, funds received from the sale of infantry fighting vehicles or armored personnel carriers by the United States under the Arms Export Control Act during fiscal years 1990 and 1991 and from the sale of such vehicles by the United States under that Act after fiscal year 1992 shall be available, until expended, for the upgrading of infantry fighting vehicles or armored personnel carriers for fielding to the Army.

SEC. 113. LIMITATION REGARDING CHEMICAL AGENT MONITORING PROGRAM.

The Improved Chemical Agent Monitor (ICAM) may not be procured for the Armed Forces until the Secretary of the Army—

(1) completes an analysis of the initial production test results of the Chemical Agent Monitor (CAM);

(2) submits to Congress a report containing a discussion of the reliability and consistency of the laboratory-tested and field-tested Chemical Agent Monitor; and

(3) determines, and notifies Congress in writing, that all design and production deficiencies of the Chemical Agent Monitor have been identified and corrected before the resumption of obligation of funds for procurements under the Chemical Agent Monitoring Program.

Subtitle C—Navy Programs

SEC. 121. SHIPBUILDING AND CONVERSION.

(a) CERTAIN PROGRAMS.—(1) Amounts authorized to be appropriated under section 102(a)(3) shall be available for the aircraft carrier replacement program as follows:

(A) For fiscal year 1993, $350,000,000.

(B) For fiscal year 1994, $482,200,000.

(2) Amounts authorized to be appropriated under section 102(a)(3)(A) shall be available for shipbuilding and conversion programs as follows:

For the CVN aircraft carrier refueling overhaul advance procurement program, $6,800,000.

For the CGN cruiser refueling overhaul advance procurement program, $30,439,000.

For the ARLEIGH BURKE guided missile destroyer program, $3,369,643,000.

For the LHD-1 amphibious assault ship program, $1,205,000,000.

For the sealift program, $225,000,000.

For the MHC-1 coastal minehunter program, $246,205,000.

For the oceanographic ship conversion program, $19,500,000.

For the service craft program, $126,028,000.

For outfitting, $385,321,000.

For post-delivery, $223,105,000.

For first destination transportation, $6,031,000.

(b) UNDISTRIBUTED REDUCTION.—The sum of the amounts provided under subsection (a) for fiscal year 1993 for the programs referred to in that subsection is reduced by $666,609,000 in order to be within the total amount authorized to be appropriated for that fiscal year under section 102(a)(3)(A).

(c) LIMITATION.—None of the funds authorized to be appropriated for fiscal year 1994 pursuant to section 102(a)(3)(B) may be obligated for advance procurement for the aircraft carrier replacement program until the Secretary of Defense—

(1) submits to the congressional defense committees the national defense technology and industrial base assessment required by section 2263 of title 10, United States Code, as added by section 801(a) of this Act; and

(2) submits to the Congress the next report (after the date of the enactment of this Act) relating to roles and missions of the Armed Forces that the Chairman of the Joint Chiefs of Staff is required to submit to the Secretary under section 153(b) of title 10, United States Code.

SEC. 122. AN/SLQ-32 ELECTRONIC WARFARE SYSTEMS.

None of the funds appropriated pursuant to section 102(a)(4) may be obligated for the AN/SLQ-32A (V)3 system until the Commander, Operational Test and Evaluation Force, has determined that such system has been proven to be operationally effective during operational testing.

SEC. 123. AIRBORNE SELF PROTECTION JAMMER.

None of the funds available to the Department of Defense for fiscal year 1993 or any fiscal year before fiscal year 1993 may be used for the procurement of the Airborne Self Protection Jammer system except for the payment of the costs of terminating existing contracts for the procurement of the Airborne Self Protection Jammer system.

SEC. 124. AV-8B HARRIER RADAR UPGRADE PROGRAM.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1993 may be obligated for the AV-8B radar upgrade program or for the remanufacture of AV-8B aircraft requiring installation of a new fuselage.

SEC. 125. MODIFICATION OF F-14 AIRCRAFT.

The unobligated balance of the funds appropriated to the Navy for fiscal year 1992 and made available for modification of F-14 aircraft may be obligated for the modification of existing F-14 aircraft with new engines, subject to such limitations as may be provided in appropriations Acts.

SEC. 126. STRATEGIC SEALIFT REPORT.

(a) REPORT.—The Secretary of Defense shall submit to the Congress a report on the specific purposes for which the Secretary intends to obligate during fiscal year 1993 the funds available for the procurement of strategic sealift. The information in the report shall be presented by program, project, and activity.

(b) LIMITATION.—Funds appropriated to the Navy for procurement for shipbuilding and conversion and available for strategic sealift may not be obligated during fiscal year 1993 until 30 days after the date on which the Secretary of Defense submits the report required by subsection (a).

Subtitle D—Air Force Programs

SEC. 131. C-17 AIRCRAFT PROGRAM.

(a) FUNDING FOR PROGRAM.—Of the amount appropriated pursuant to section 103(1), not more than $1,829,540,000 shall be available for the C-17 aircraft program, of which—

(1) not more than $1,623,935,000 shall be available for procurement other than advance procurement and procurement of spare parts; and

(2) not more than $205,605,000 shall be available for advance procurement.

(b) LIMITATION.—None of the funds provided under subsection (a) for the C-17 aircraft program (other than funds for advance procurement) may be obligated before—

(1) the Secretary of Defense submits to the congressional defense committees the report referred to in section 133(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1310);

(2) the Air Force has accepted delivery of the fifth production aircraft under that program;

(3) the Director of Operational Test and Evaluation of the Department of Defense—

(A) has evaluated the performance of the C-17 aircraft with respect to critical operational issues after the first 50 flight hours of flight testing conducted during initial operational testing and evaluation of the aircraft; and

(B) has provided to the Secretary of Defense and to the congressional defense committees an early operational assessment of the aircraft regarding overall suitability of the aircraft and deficiencies in the aircraft relative to (i) the initial requirements and specifications for the aircraft, and (ii) the current requirements and specifications for the aircraft;

(4) the Secretary of the Air Force—

(A) has convened the Scientific Advisory Board—

(i) to determine the technical feasibility of carrying out a service life extension program for the C-141 aircraft fleet; and

(ii) to review programmed depot maintenance policies and practices for the C-141 aircraft fleet; and

(B) has taken action to limit the retirement of any operationally capable C-141 aircraft until a decision is made concerning a service life extension for the C-141 fleet;

(5) the Secretary of Defense has convened a special Defense Acquisition Board to review the C-17 aircraft program;

(6) the special Defense Acquisition Board has submitted to the Secretary of Defense a report on the C-17 aircraft program, including the matters described in subsection (c); and

(7) the Secretary of Defense has submitted the report of that board, including the material referred to in subsection (c), to the congressional defense committees.

(c) MATTERS TO BE INCLUDED IN REVIEW.—The review (referred to in subsection (b)(5)) that is conducted by the special Defense Acquisition Board shall include—

(1) an assessment by the Joint Requirements Oversight Council (JROC) of the adequacy of the requirements for the C-17 aircraft;

(2) an analysis by a federally funded research and development center of the cost and operational effectiveness of the C-17 aircraft program taking into consideration complementary mixes of other aircraft; and

(3) an affordability assessment of the program, performed by the Cost Analysis Improvement Group in the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation.

(d) PROHIBITION RELATING TO PRODUCTION CAPABILITY.—None of the funds provided under subsection (a) for the C-17 aircraft program may be used to increase the current rate at which the contractor could produce C-17 aircraft.

(e) INITIATIVE ON COST, PERFORMANCE, AND MANAGEMENT.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish an initiative to maintain control over costs, contractor performance, and management performance within the C-17 aircraft program.

(2) The initiative shall include the following elements:

(A) The establishment of a management plan which provides for the decisions to commit to specified levels of production to be linked to progress in meeting specified program milestones, including testing milestones of such critical performance elements as—

(i) maximum range and maximum payload performance;

(ii) short airfield performance;

(iii) ground mobility in restricted airfield conditions;

(iv) low altitude parachute extraction capability;

(v) air drop capability; and

(vi) sustainable utilization rate performance.

(B) The establishment of a program for promoting increased interaction between the prime contractor and major program subcontractors on management and performance issues.

(C) The establishment of a senior management review group to report directly to the Under Secretary of Defense for Acquisition on the status of aircraft capability, program management, schedule, and cost.

(D) The establishment of a full performance matrix.

(3) Not later than April 1, 1993, the Secretary of Defense shall submit to the congressional defense committees a report on the initiative. The report shall include a description of the measures taken to implement the initiative, including actions taken with respect to each of the elements specified in paragraph (2), and a description of the criteria and milestones to be used in evaluating actual program performance against specified program performance.

(f) ADDITIONAL AMOUNT.—(1) Of the amounts appropriated for the Air Force for fiscal year 1993 for the procurement of aircraft pursuant to the authorization in section 103(1), $232,000,000 may be made available for the C-17 aircraft program in addition to amounts provided under subsection (a).

(2) Funds made available pursuant to paragraph (1) shall be subject to the limitation in subsection (b) and the prohibition in subsection (d).

(3) None of the funds made available pursuant to paragraph (1) may be obligated unless the Inspector General of the Department of Defense certifies to the congressional defense committees that the Air Force—

(A) took delivery of the fifth production aircraft not later than December 31, 1992; and

(B) has taken delivery of all C-17 aircraft in production lot III and has flown all of those aircraft from the final assembly site on or before August 31, 1993.

SEC. 132. CORRECTION OF FUEL LEAKS ON C-17 PRODUCTION AIRCRAFT.

(a) CERTIFICATION OF CONTRACTOR CORRECTION UNDER WARRANTY.—The Secretary of Defense shall (except as otherwise provided under subsection (b)) certify to the congressional defense committees that the repair of the fuel leaks on production C-17 aircraft will be carried out by the contractor (under the warranty provisions of the production contract for such aircraft) at no additional cost to the Government and with no additional consideration to the contractor for production aircraft under the C-17 program by reason of the repair of the C-17 fuel leaks.

(b) ALTERNATIVE TO CERTIFICATION.—If the Secretary of Defense is unable to make the certification referred to in subsection (a), the Secretary—

(1) shall carry out the repair of the fuel leaks at an Air Logistics Center in the United States; and

(2) shall submit to the congressional defense committees a report notifying the committees that the Secretary is unable to make such a certification and setting forth a schedule for conducting the repair of the fuel leaks pursuant to paragraph (1).

SEC. 133. F-16 SPARE PARTS AND SUPPORT EQUIPMENT.

Notwithstanding any other provision of law, the Secretary of the Air Force may sell any component, part, assembly, or material procured with funds appropriated for fiscal year 1990, 1991, or 1992 for advance procurement for F-16 aircraft and made available for the 24 F-16 aircraft identified for procurement in fiscal year 1993 by the Department of Defense in the document entitled "Procurement Programs (P-1)," dated January 29, 1992. The proceeds of the sale of such components, parts, assemblies, and material shall be available for the procurement of spare parts and support equipment for F-16 aircraft and for the liquidation of any liability of the Federal Government resulting from the termination of production of F-16 aircraft.

Subtitle E—Defense Agency Programs

SEC. 141. FUNDING FOR CERTAIN TACTICAL INTELLIGENCE PROGRAMS.

(a) AUTHORIZATION.—Of the funds authorized to be appropriated under section 104, $166,700,000 shall be available for modernizing EP-3 Aries aircraft or RC-135 Rivet Joint aircraft.

(b) ELECTION OF SYSTEM.—The Secretary of Defense shall determine whether to use all of the funds provided under subsection (a) for modernizing EP-3 Aries aircraft or to use all of such funds for modernizing RC-135 Rivet Joint aircraft. Such funds may not be used for modernizing both such aircraft systems.

(c) TRANSFER AUTHORITY.—(1) To the extent provided in appropriations Acts, and subject to the limitation in paragraph (2), the Secretary of Defense may transfer $166,700,000 to the Navy for procurement of aircraft or to the Air Force for procurement of aircraft.

(2) The Secretary of Defense may not transfer any funds under paragraph (1) until the date 30 days after the date on which the Secretary submits to the congressional defense committees a report containing the Secretary's determination on which of the two aircraft systems referred to in subsection (a) is better for meeting the tactical intelligence requirements of the commanders of the combatant commands.

(3) The transfer authority in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 142. MH-47E/MH-60K HELICOPTER MODIFICATION PROGRAMS.

(a) REQUIRED TESTING.—Notwithstanding the requirements of subsections (a) (2) and (b) of section 2366 of title 10, United States Code, and the requirements of subsection (a) of section 2399 of such title—

(1) operational test and evaluation and survivability testing of the MH-60K helicopter under the MH-60K helicopter modification program shall be completed prior to full materiel release of the MH-60K helicopters for operational use; and

(2) operational test and evaluation and survivability testing of the MH-47E helicopter under the MH-47E helicopter modification program shall be completed prior to full materiel release of the MH-47E helicopters for operational use.

(b) REPEAL OF SUPERSEDED LAW.—Section 143 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-109; 105 Stat. 1313) is repealed.

Subtitle F—Strategic Programs

SEC. 151. TRIDENT II MISSILE.

(a) LIMITATION.—None of the funds appropriated pursuant to the authorization in section 102(a)(2) and made available for the advance procurement of Trident II missiles may be obligated until the report described in subsection (b), which was to have been submitted to the congressional defense committees not later than March 1, 1992, has been submitted to those committees.

(b) COVERED REPORT.—The report referred to in subsection (a) is the report, referred to in Senate Report No. 102-113, 102d Congress, 1st session, on the cost savings that could be obtained through multiyear procurement of the balance of the Trident II missiles to be produced at rates of 48, 60, and 72 missiles per year.

SEC. 152. NONSTEALTHY HEAVY BOMBER MODERNIZATION.

(a) SURVIVABILITY AND EFFECTIVENESS TESTING.—(1) The Secretary of Defense shall prepare and implement a plan for testing of the survivability and operational effectiveness of nonstealthy heavy bombers against a set of defenses and defended target arrays that are representative of a broad range of potential targets and defenses that such bombers might encounter during conventional conflicts during the next 20 years.

(2) The Secretary shall carry out paragraph (1) with the assistance of the Secretary of the Air Force, the Vice Chairman of the Joint Chiefs of Staff, the Director of Operational Test and Evaluation of the Department of Defense, and the independent panel established pursuant to section 121(e) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1379).

(3) The aircraft to be tested under the testing plan required under paragraph (1) include—

(A) B-52H bombers;

(B) B-1B bombers containing the current version of the ALQ-161 electronic countermeasures suite; and

(C) subject to paragraph (5), the one B-1B that contains an electronic countermeasures suite modified to the "CORE" configuration.

(4) The testing plan shall—

(A) be designed to encompass—

(i) cued and uncued defenses;

(ii) individual air defense systems as well as multiple air defenses; and

(iii) survivability and operational effectiveness with and without external assets for suppression or disruption of simulated enemy air defenses;

(B) require quantitative measurements that are adequate to permit extrapolation of test data to untested scenarios with reasonable confidence levels;

(C) be designed to permit the evaluation of alternative tactics for bomber penetration and weapons delivery and alternative tactics for defenses; and

(D) be designed to permit the evaluation of the contribution of advanced conventional munitions currently under development to the survivability and effectiveness of the aircraft.

(5) The Secretary may exempt the B-1B referred to in paragraph (3)(C) from testing under the testing plan if the Secretary determines, before implementing the testing plan, to terminate the procurement of the CORE electronics countermeasures system.

(b) REPORTING REQUIREMENTS.—(1) Upon the conclusion of the testing program provided for in the testing plan, the Secretary of Defense shall submit to the congressional defense committees a report, in unclassified and classified forms, on—

(A) the results of the testing and the implications of those results for—

(i) the future force structure requirements for nonstealthy heavy bombers, taking into account the capabilities of other weapon systems;

(ii) advanced conventional munitions capabilities; and

(iii) cost-effective measures, modifications, and upgrades for enhancing the survivability and operational effectiveness of the nonstealthy heavy bombers to be retained in the force structure; and

(B) the deficiencies in the numbers, performance, capability, and fidelity of air defense threats and threat simulators available for the operational testing, together with a detailed analysis of the cost and lead-times necessary for obtaining for testing purposes an adequate representation of current and likely future air defenses.

(2) Within 60 days after the date of the submission of the report under paragraph (1), the Comptroller General of the United States

shall review the report and the recommendations in the report and shall provide the congressional defense committees with his views on the report.

(c) FUNDING.—Of the funds made available pursuant to section 103 for fiscal year 1993, not more than $50,200,000 shall be available for modification of the B-1B bomber program, not more than $50,000,000 shall be available for interim contractor support, and not more than $70,000,000 shall be available for modifications of B-52 bomber aircraft.

(d) LIMITATION ON EXPENDITURE OF B-1B BOMBER FUNDS.—The Secretary of Defense may not obligate funds for the procurement of the "CORE" electronic countermeasures system until—

(1) the report required under subsection (b) is submitted to the congressional defense committees and a period of 60 days after the date of the submission elapses; and

(2) the Secretary certifies in writing to the congressional defense committees that the Director of Operational Test and Evaluation of the Department of Defense has reviewed the CORE electronic countermeasures system proposed to be acquired and has determined that the system is operationally suitable and operationally effective in meeting all B-1B defensive avionics system requirements.

SEC. 153. B-2 BOMBER AIRCRAFT PROGRAM.

(a) AMOUNT FOR PROGRAM.—Of the amount authorized to be appropriated pursuant to section 103(1), not more than $2,686,572,000 may be obligated for procurement for the B-2 bomber aircraft program.

(b) B-2 BUYOUT AND CURTAILMENT.—The funds referred to in subsection (a) may be obligated only for the purpose of completing procurement for the B-2 bomber aircraft program and paying all curtailment costs under the B-2 aircraft program.

(c) LIMITATION ON NUMBER OF B-2 AIRCRAFT.—A total of not more than 20 deployable B-2 bomber aircraft plus 1 test aircraft may be procured.

(d) LIMITATION ON OBLIGATION OF FUNDS.—None of the funds referred to in subsection (a) may be obligated unless and until—

(1) the Secretary of Defense submits to the congressional defense committees—

(A) the reports and certifications referred to in section 131(b)(1) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1306);

(B) the report under subsection (e); and

(C) the report under subsection (f); and

(2) 30 days have elapsed since the date of the submission of the reports under subsections (e) and (f).

(e) REPORT ON LOW OBSERVABILITY AND SURVIVABILITY.—The report referred to in subsection (d)(1)(B) is a report submitted by the Secretary of Defense to the congressional defense committees that contains the following matters:

(1) The Secretary's assessment of the extent to which the B-2 aircraft will meet the original operational performance objectives that were established for the B-2 aircraft in order to ensure the high survivability of the aircraft, including an accounting of the specific low observability objectives that were not fulfilled in a B-2 flight test conducted during July 1991 and the effect on survivability (if any) of the currently projected low observable characteristics of the B-2 aircraft.

(2) A full description of the information upon which the assessment required by paragraph (1) is based, including all relevant flight test data.

(3) A full description of any actions planned to be taken to improve the B-2 aircraft's low observability capabilities beyond the capabilities that have been demonstrated in flight testing before the date of the submission of the report under this subsection, and the associated costs and benefits.

(4) A quantitative assessment by the Secretary of Defense of the likelihood that a B-2 aircraft having the low observable characteristics projected for the aircraft can survive in the execution in the future of its primary mission as a penetrating nonnuclear bomber as compared to the likelihood that a B-2 aircraft meeting all of the specifications contained in the current development contract can survive in the execution of such a mission.

(f) REPORT ON COST OF PROGRAM FOR 20 B-2 AIRCRAFT.—The report referred to in subsection (d)(1)(C) is a report submitted by the Secretary of Defense to the congressional defense committees that describes the total amount of the research, development, test, and evaluation costs, procurement costs, and other acquisition costs that are associated with a B-2 aircraft program to result in 20 deployable aircraft, including the costs of all planned modifications and retrofits, tooling, preplanned product improvements, support equipment, interim contractor support, initial spares, and any Government liability associated with curtailment.

(g) GAO REVIEW.—(1) The Comptroller General of the United States shall—

(A) review each report submitted pursuant to subsection (e) and (f); and

(B) provide the congressional defense committees with his comments on such reports.

(2) The Secretary of Defense shall transmit a copy of the reports to the Comptroller General at the same time that he transmits the reports to the congressional defense committees.

SEC. 154. SPACE SYSTEMS INVESTMENT STRATEGY.

(a) COST REDUCTION STRATEGY.—The Secretary of Defense shall develop a strategy for achieving substantial reductions in the cost of developing, acquiring, and supporting space systems operated by the Department of Defense.

(b) OPTIONS TO BE CONSIDERED.—In developing the strategy, the Secretary shall consider options to achieve reductions by fiscal year 2000 to amounts that are up to 25 percent below the costs incurred for such space systems in fiscal year 1992, measured in constant dollars.

(c) REPORT REQUIRED.—At the earliest practicable date, but not later than March 1, 1993, the Secretary shall submit to the congressional defense committees a report on the strategy required under subsection (a) and any recommendations that the Secretary considers appropriate regarding such strategy.

SEC. 155. GROUND WAVE EMERGENCY NETWORK.

Section 132 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1501) is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1993".

Subtitle G—Chemical Demilitarization Program

SEC. 161. CHEMICAL WEAPONS STOCKPILE DISPOSAL PROGRAM.

(a) CHANGE IN STOCKPILE ELIMINATION DEADLINE.—Section 1412(b)(5) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(b)(5)), is amended by striking out "July 31, 1999" and inserting in lieu thereof "December 31, 2004".

(b) EVALUATION OF ALTERNATIVE TECHNOLOGIES.—Not later than December 31, 1993, the Secretary of the Army shall submit to Congress a report on the potential alternatives to the use of the Army's baseline disassembly and incineration process for the disposal of lethal chemical agents and munitions. The report shall include the following:

(1) An analysis of the report of the Committee on Alternative Chemical Demilitarization Technologies of the National Research Council of the National Academy of Science.

(2) Any recommendations that the National Academy of Sciences makes to the Army regarding the report of that committee and the Secretary's evaluation of those recommendations.

(3) A comparison of the baseline disassembly and incineration process with each alternative technology evaluated in the report of such committee that the National Academy of Sciences recommends for use in the Army Chemical Stockpile Disposal Program, taking into consideration each of the following factors:

(A) Safety.

(B) Environmental protection.

(C) Cost effectiveness.

(4) For each alternative technology recommended by the National Academy of Sciences, the date by which the Army could reasonably be expected to systematize, construct, and test the technology, obtain all necessary environmental and other permits necessary for using that technology for the disposal of lethal chemical agents and munitions, and have the technology available for full-scale chemical weapons destruction and demilitarization operations.

(5) A description of alternatives to incineration that are being developed by Russia for use in its chemical demilitarization program and an assessment of the extent to which such alternatives could be used to destroy lethal chemical weapons in the United States inventory of such weapons.

(c) LIMITATION.—(1) Except as provided in paragraphs (2) and (3), the Army may not carry out any site preparation for or construction of a disassembly and incinerator chemical agents disposal facility until the report required under subsection (b) is submitted to Congress.

(2) The limitation in paragraph (1) does not apply to any disassembly and incineration chemical agent disposal facility (of the 8 such facilities identified in the Army Chemical Stockpile Disposal Program) at which site preparation or construction has commenced before the date of the enactment of this Act.

(3) The limitation in paragraph (1) does not apply to:

(A) Facility design activities.

(B) The obtaining of environmental permits.

(C) Project planning.

(D) Procurement of equipment for installation in a facility.

(d) DESTRUCTION OF NONSTOCKPILE CHEMICAL MATERIAL.—(1)(A) Not later than February 1, 1993, the Secretary of the Army shall submit to Congress a report setting forth the Army's plans for destroying all chemical warfare material of the United States not covered by section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), that would be required to be destroyed if the United States became a party to a chemical weapons convention described in subparagraph (B).

(B) The chemical weapons convention referred to in subparagraph (A) is a chemical weapons convention that is substantially the same as the final draft of the proposed international Chemical Weapons Convention

(CWC) tabled by the Chairman of the United Nations Conference on Disarmament Ad Hoc Committee on Chemical Weapons on June 22, 1992 (CD/CW/WP.400/Rev.1).

(2) The chemical warfare material covered by the report shall include the following:

(A) Binary chemical munitions.

(B) Buried chemical munitions.

(C) Chemical munitions recovered from ranges.

(D) Chemical weapons production facilities.

(E) All other chemical warfare material referred to in paragraph (1).

(3) The report shall include the following:

(A) A list of all suspected locations (including ranges) of buried or unexpended chemical munitions.

(B) An estimate of the number of such munitions and, of that number, how many of such munitions are planned to be destroyed.

(C) An inventory of the former chemical weapons production facilities and previously contaminated storage containers and the plans for destroying those facilities and containers.

(D) An inventory of the binary chemical munitions and the plans for destroying those munitions.

(E) The locations at which the chemical warfare materials and facilities referred to subparagraphs (A) through (D) will be destroyed.

(F) A description of the use, if any, that will be made of the Chemical Agent and Munitions Disposal System (CAMDS) facility, Tooele, Utah, in the destruction of those chemical warfare materials, as well as possible future uses of that facility for the destruction of conventional munitions or for research and development of possible alternative technologies for the destruction of chemical munitions.

(G) For the chemical warfare materials that cannot be destroyed in place or on site, a description of the means to be used for transporting the materials to disposal facilities.

(H) An estimate of the cost of destroying such chemical warfare materials and facilities.

(I) An estimate of the time that will be necessary to destroy such chemical warfare materials and facilities and the Secretary's determination of the likelihood that such materials and facilities can be destroyed by December 31, 2004.

(J) A determination as to whether it is a realistic option to transport chemical agents and munitions currently stored at low-volume disposal sites to other locations for destruction instead of destroying those munitions at those sites, taking into consideration safety, cost effectiveness, and the potential obligations of the United States under a chemical weapons convention to transport substantial quantities of chemical warfare munitions and materials not in the United States stockpile of lethal chemical agents and munitions to various locations for destruction.

(4) As used in paragraph (3)(J), the term "low-volume disposal site" means any chemical agent disposal site identified in the Army Chemical Stockpile Disposal Program where 5 percent or less of the total United States stockpile of unitary chemical weapons is stored.

SEC. 162. PHYSICAL AND CHEMICAL INTEGRITY OF THE CHEMICAL WEAPONS STOCKPILE.

(a) REPORT REQUIRED.—Not later than May 1, 1993, the Secretary of the Army shall submit to Congress a report on the physical and chemical integrity of the existing chemical weapons that are contained in the chemical weapons stockpile of the United States and are stored within the 8 chemical weapons storage sites within the continental United States.

(b) CONTENT OF REPORT.—The report shall include the following matters:

(1) A critical analysis of the near-term, mid-term, and long-term storage life of all chemical materials and chemical munitions contained within the storage sites referred to in subsection (a).

(2) For each class of chemical munitions and chemical agents, an analysis of the overall frequency of leaks of the munitions and agents and the frequency of leaks of the munitions and agents at each storage site.

(3) For each class of munition and agent and for each storage site, a description of the finite risks and potential harm to human health and environmental quality that are associated with such catastrophic events as container breach, spontaneous munition ignition, and leak.

(4) A critical analysis of the risks associated with the storage of the chemical munitions and chemical agents in each class of chemical munitions and chemical agents that are stored at each storage site through December 31, 2004.

(5) A discussion of actions that could be taken to minimize or eliminate the risks identified in paragraphs (1) through (4).

Subtitle H—Authorization of Appropriations

SEC. 171. AUTHORIZATION OF APPROPRIATIONS.

In addition to the funds authorized to be appropriated by section 106, the following funds are authorized to be appropriated:

(a) For the Army National Guard:

(1) For 3 P-180 aircraft, $12,000,000.

(2) For night vision goggles, $20,000,000.

(3) For single channel ground airborne radio system, $10,000,000.

(4) For 6 C-26 aircraft, $23,000,000.

(5) For medium truck service life extension program, $15,000,000.

(6) For M113A3 conversion program, $15,000,000.

(b) For the Air National Guard:

(1) For night vision goggles, $5,000,000.

(c) For the Army Reserve:

(1) For medium truck service life extension program, $25,000,000.

(2) For 12 C-12J aircraft, $42,000,000.

(3) For night vision goggles, $20,000,000.

(4) For single channel ground airborne radio system, $10,000,000.

(d) For the Marine Corps Reserve:

(1) For night vision goggles, $10,000,000.

(2) For single channel ground airborne radio system, $5,000,000.

(3) For a C-20 aircraft for administrative support for the Marine Corps, $25,000,000.

(e) For the Air Force Reserve:

(1) For night vision goggles, $5,000,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorizations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces for research, development, test, and evaluation as follows:

(1) For the Army, $5,307,744,000.

(2) For the Navy, $8,921,805,000.

(3) For the Air Force, $14,070,731,000.

(4) For the Defense Agencies, $10,665,659,000, of which—

(A) $261,707,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(B) $12,983,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1993.—Of the amounts authorized to be appropriated by section 201, $4,179,179,000 shall be available for basic research and exploratory development projects.

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

SEC. 203. MANUFACTURING TECHNOLOGY DEVELOPMENT.

Of the amounts authorized to be appropriated by section 201, $433,600,000 shall be available for manufacturing technology development as follows:

(1) For the Army, $61,000,000.

(2) For the Navy, $108,400,000.

(3) For the Air Force, $146,200,000.

(4) For the Office of the Secretary of Defense, $118,000,000.

SEC. 204. STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

Of the amounts authorized to be appropriated by section 201, $200,000,000 shall be available for the Strategic Environmental Research and Development Program.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. V-22 OSPREY AIRCRAFT PROGRAM.

(a) FISCAL YEAR 1993 FUNDING.—Of the funds authorized to be appropriated pursuant to section 201 or otherwise made available for the Navy for fiscal year 1993 for research, development, test, and evaluation, $755,000,000 may be used only for development, manufacture, and operational testing of 3 production representative V-22 Osprey aircraft in addition to the 3 production representative V-22 Osprey aircraft for which funds were authorized to be appropriated, and were appropriated, for fiscal year 1992.

(b) USE OF FUNDS FOR CURRENT AND PRIOR FISCAL YEARS.—The amount made available for fiscal year 1993 for the V-22 Osprey aircraft program pursuant to subsection (a) and the unobligated balances of the amounts that were authorized to be appropriated, and were appropriated, for preceding fiscal years and made available for the V-22 Osprey aircraft program may be used only for—

(1) the development and manufacture of a total of 6 production representative aircraft for operational testing; and

(2) the operational testing of such aircraft.

SEC. 212. REPORT ON V-22 OSPREY AIRCRAFT PROGRAM.

(a) REPORT REQUIRED.—The Commandant of the Marine Corps shall submit to the congressional defense committees a report on the crash of the V-22 Osprey prototype aircraft that occurred on July 20, 1992.

(b) CONTENT OF REPORT.—The report shall include a discussion of the following matters:

(1) The cause or causes of the crash.

(2) The extent to which a redesign of a system might be required to correct the condition or conditions that caused the crash.

(3) The effects of the crash on the cost, schedule, and technical risk of the V-22 Osprey development and testing program.

(c) SUBMITTAL DATE.—The Commandant shall submit the report on or before September 1, 1992. If the Commandant expects to be unable to submit the report by that date, the

Commandant shall notify the congressional defense committees of that expectation not later than August 16, 1992. The Commandant shall include in the notification the date on which he expects to submit the report.

(d) LIMITATION.—Not more than 50 percent of the amount appropriated for the Navy for fiscal year 1993 and made available for the V-22 Osprey aircraft program may be obligated until the Commandant has submitted the report required by subsection (a).

SEC. 213. SPECIAL OPERATIONS VARIANT OF THE V-22 OSPREY AIRCRAFT.

Of the amounts authorized to be appropriated pursuant to section 201(4), $15,000,000 shall be available for research, development, test, and evaluation in connection with the special operations variant of the V-22 Osprey aircraft.

SEC. 214. SHIPBOARD ELECTRONIC WARFARE PROGRAMS.

The Secretary of Defense shall specify in the Department of Defense budget request for fiscal year 1994 a separate program element for electronic warfare programs involving ship self-defense.

Subtitle C—Missile Defense Program

SEC. 221. MISSILE DEFENSE ACT AMENDMENTS.

(a) IMPLEMENTATION OF GOAL.—Section 233 of the Missile Defense Act of 1991 (part C of title II of Public Law 102-190; 10 U.S.C. 2431 note) is amended in subsection (b) by striking out "(b)" and all that follows through the end of paragraph (2) and inserting in lieu thereof the following:

"(b) ACTIONS OF THE SECRETARY OF DEFENSE.—

"(1) THEATER MISSILE DEFENSE SYSTEMS.—The Secretary of Defense shall develop advanced theater missile defense systems for deployment.

"(2) INITIAL ABM DEPLOYMENT.—The Secretary shall develop for deployment a cost-effective, operationally effective, and ABM Treaty-compliant antiballistic missile system at a single site as the initial step toward deployment of an antiballistic missile system described in section 232(a)(1) designed to protect the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks. The system components to be developed shall include—

"(A) 100 ground-based interceptors, the design of which is to be determined by competition and downselection for the most capable interceptor or interceptors;

"(B) fixed, ground-based, antiballistic missile battle management radars; and

"(C) optimum utilization of space-based sensors, including sensors capable of cueing ground-based antiballistic missile interceptors and providing initial targeting vectors, and other sensor systems that are not prohibited by the ABM Treaty, including specifically the Ground Surveillance and Tracking System.".

(b) FOLLOW-ON TECHNOLOGY RESEARCH.—Subsection (c) of section 234 of such Act is amended to read as follows:

"(c) TRANSFER OF MANAGEMENT RESPONSIBILITY FOR RESEARCH AND DEVELOPMENT OF FAR-TERM FOLLOW-ON TECHNOLOGIES.—

"(1) TRANSFER REQUIRED.—

"(A) IN GENERAL.—As the Strategic Defense Initiative Organization (SDIO) transitions from a broadly based research organization to a focused acquisition agency, maintaining responsibility for research and development of far-term follow-on technologies in that organization could distract management and result in funding shortfalls as the Strategic Defense Initiative Organization's priorities increasingly center on near-term deployment architectures. Accordingly, the Secretary of Defense shall transfer management and budget responsibility for research and development of all far-term follow-on technologies currently under the Strategic Defense Initiative Organization to the Defense Advanced Research Projects Agency (DARPA) or the appropriate military department, unless he determines and certifies to the congressional defense committees that transfer of a particular far-term follow-on technology currently under the Strategic Defense Initiative Organization would not be in the national security interests of the United States.

"(B) DEFINITION.—In subparagraph (A), the term 'far-term follow-on technology' means a technology not likely to be incorporated into a weapon system within 10 to 15 years after the date of the enactment of this Act.

"(2) REPORT REQUIRED.—

"(A) IN GENERAL.—Not later than 90 days after the date of enactment of the National Defense Authorization Act for Fiscal Year 1993, the Secretary of Defense shall submit to the congressional defense committees a report identifying—

"(i) those programs, projects, and activities under the Other Follow-On Technologies program element for fiscal year 1993 which he is transferring to a military department or the Defense Advanced Research Projects Agency; and

"(ii) those programs, projects, and activities under the Other Follow-On Technologies program element which the Secretary certifies are necessary in the national security interests of the United States to maintain under the Strategic Defense Initiative Organization.

"(B) DEFINITION.—In subparagraph (A), the term 'programs, projects, and activities under the Other Follow-On Technologies program element for fiscal year 1993' means the programs, projects, and activities listed under the Other Follow-On Technologies program element for fiscal year 1993 in the report submitted to the congressional defense committees on July 2, 1992 pursuant to section 233(b)(3) of this Act.".

(c) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION OBJECTIVES FOR SDI PROGRAM ELEMENTS.—Section 236 of such Act is amended—

(1) in subsection (a), by striking out "by fiscal year 1996" in the second sentence;

(2) in subsection (b)(1), by striking out all after "United States,"; and

(3) in subsection (d), by inserting "but which are not likely to be incorporated into weapons within 10 to 15 years after the date of the enactment of this Act" before the period at the end.

(d) REVIEW OF FOLLOW-ON DEPLOYMENT OPTIONS.—Section 238 of such Act is amended by striking out "of fiscal year 1996" in the first sentence.

SEC. 222. STRATEGIC DEFENSE INITIATIVE FUNDING.

(a) TOTAL AMOUNT.—Of the amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1993, not more than $3,800,000,000 may be obligated for the Strategic Defense Initiative, as follows:

(1) Of the amounts appropriated pursuant to title I for fiscal year 1993 or otherwise made available to the Department of Defense for procurement for fiscal year 1993, not more than $62,500,000 may be obligated for the Strategic Defense Initiative.

(2) Of the amounts appropriated pursuant to section 201 for fiscal year 1993 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1993, not more than $3,737,500,000 may be obligated for the Strategic Defense Initiative.

(b) SPECIFIC AMOUNTS FOR THE PROGRAM ELEMENTS.—Of the amount set forth in subsection (a)—

(1) not more than $2,090,000,000 shall be available for programs, projects, and activities within the Limited Defense System program element;

(2) not more than $997,500,000 shall be available for programs, projects, and activities within the Theater Missile Defenses program element;

(3) not more than $350,000,000 shall be available for programs, projects, and activities within the Space-Based Interceptors program element;

(4) not more than $400,000,000 shall be available for programs, projects, and activities within the Other Follow-On Systems program element; and

(5) not more than $400,000,000 shall be available for programs, projects, and activities within the Research and Support Activities program element.

(c) TRANSFER AUTHORITIES.—(1) Before the submission of the report required under subsection (e) and notwithstanding the limitations set forth in subsection (b), the Secretary of Defense may transfer funds among the program elements named in subsection (b).

(2) The total amount that may be transferred to or from any program element named in subsection (b)—

(A) may not exceed 10 percent of the amount provided in such subsection for the program element from which the transfer is made; and

(B) may not result in an increase of more than 10 percent of the amount provided in such subsection for the program element to which the transfer is made.

(3) Transfer authority may not be used for a decrease in funds identified in subsection (b)(2) for Theater Missile Defenses.

(4) Amounts transferred pursuant to paragraph (1) shall be merged with and be available for the same purposes as the amounts to which transferred.

(d) CONSTRUCTION OF AUTHORITY IN RELATION TO USER OPERATIONAL EVALUATION SYSTEM.—Nothing in this Act shall be construed to authorize the exercise of any option to fabricate or field elements of a User Operational Evaluation System at the initial anti-ballistic missile defense site.

(e) REPORTING REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the allocation of funds appropriated for the Strategic Defense Initiative for fiscal year 1993. The report shall specify the amount of such funds allocated for each program, project, and activity under each program element.

SEC. 223. DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS.

(a) USE OF FUNDS.—(1) Funds appropriated to the Department of Defense for fiscal year 1993, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1993 or for any fiscal year before 1993, may not be obligated or expended—

(A) for any development or testing of anti-ballistic missile systems or components except for development and testing consistent with the development and testing described in the July 1992 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of anti-ballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the July 1992 SDIO Report.

(2) The limitation under paragraph (1) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1993 if the transfer is made in accordance with section 1001 of this Act.

(b) DEFINITION.—In this section, the term "July 1992 SDIO Report" means the report entitled, "1992 Report to Congress on the Strategic Defense Initiative," prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives by the Secretary of Defense pursuant to section 224 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1398; 10 U.S.C. 2431 note).

SEC. 224. LIMITATION REGARDING SUPPORT SERVICES CONTRACTS OF THE STRATEGIC DEFENSE INITIATIVE ORGANIZATION.

(a) LIMITATION.—Of the amounts that are appropriated to the Department of Defense for fiscal year 1993 pursuant to the authorizations of appropriations contained in this Act and are made available for the Strategic Defense Initiative Organization, not more than $100,000,000 may be expended for the procurement of support services.

(b) DEFINITION.—In subsection (a), the term "support services" means—

(1) professional, administrative, and management support services;

(2) special studies and analyses; or

(3) services contracted for under section 3109 of title 5, United States Code.

Subtitle D—Other Matters

SEC. 231. MEDICAL COUNTERMEASURES AGAINST BIOWARFARE THREATS.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for fiscal year 1993, not more than $59,670,000 shall be available for the medical component of the Biological Defense Research Program (BDRP) of the Department of Defense.

(b) LIMITATIONS.—(1) Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1993 may be obligated and expended for product development, and for research, development, testing, and evaluation, of medical countermeasures against biowarfare threat agents only in accordance with this section.

(2) Of the funds made available pursuant to subsection (a), not more than $10,000,000 may be obligated or expended for research, development, testing, or evaluation of medical countermeasures against far-term validated biowarfare threat agents.

(3) Of the funds made available pursuant to subsection (a) and not made available pursuant to paragraph (2) for the purpose set out in that paragraph—

(A) not more than 80 percent may be obligated and expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against near-term validated biowarfare threat agents; and

(B) not more than 20 percent may be obligated or expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against mid-term validated biowarfare threat agents.

(c) DEFINITIONS.—In this section:

(1) The term "validated biowarfare threat agent" means a biological agent that—

(A) is named in the biological warfare threat list published by the Defense Intelligence Agency (DIA); and

(B) is identified as a biowarfare threat by the Deputy Chief of Staff of the Army for Intelligence in accordance with Army regulations applicable to intelligence support for the medical component of the Biological Defense Research Program.

(2) The term "near-term validated biowarfare threat agent" means a validated biowarfare threat agent that has been, or is being, developed or produced for weaponization within 5 years, as assessed and determined by the Defense Intelligence Agency.

(3) The term "mid-term validated biowarfare threat agent" means a validated biowarfare threat agent that is an emerging biowarfare threat, is the object of research by a foreign threat country, and will be ready for weaponization in more than 5 years and less than 10 years, as assessed and determined by the Defense Intelligence Agency.

(4) The term "far-term validated biowarfare threat agent" means a validated biowarfare threat agent that is a future biowarfare threat, is the object of research by a foreign threat country, and could be ready for weaponization in more than 10 years and less than 20 years, as assessed and determined by the Defense Intelligence Agency.

(5) The term "weaponization" means incorporation into usable ordnance or other militarily useful means of delivery.

SEC. 232. FUNDING FOR TECHNICAL SUPPORT WORKING GROUP ON COUNTER-TERRORISM.

(a) TOTAL AMOUNT.—Of the funds authorized to be appropriated for fiscal year 1993 under section 201, $10,000,000 shall be available for activities of the Technical Support Working Group on Counter-Terrorism.

(b) AMOUNT FOR ALLIED COOPERATION.—Of the amount available for the activities referred to in subsection (a), $3,000,000 shall be available for cooperation with other member nations of the North Atlantic Treaty Organization (NATO) and with major non-NATO allies (as defined in section 2350a(i)(3) of title 10, United States Code).

SEC. 233. MANUFACTURING TECHNOLOGY DEVELOPMENT PROGRAMS.

Manufacturing technology development programs conducted by or for the Department of Defense, including those programs for which funds are made available pursuant to section 203, shall include a focus on production technologies designed to build on and expand existing worker skills and experience in manufacturing production.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorizations of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1993 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, $14,193,215,000.

(2) For the Navy, $20,371,281,000.

(3) For the Marine Corps, $1,453,515,000.

(4) For the Air Force, $16,876,477,000.

(5) For the Defense Agencies, $8,384,605,000.

(6) For the Army Reserve, $1,033,773,000.

(7) For the Naval Reserve, $878,792,000.

(8) For the Marine Corps Reserve, $74,821,000.

(9) For the Air Force Reserve, $1,213,887,000.

(10) For the Army National Guard, $2,251,213,000.

(11) For the Air National Guard, $2,512,475,000.

(12) For the National Board for the Promotion of Rifle Practice, $2,700,000.

(13) For the Defense Inspector General, $125,500,000.

(14) For Drug Interdiction and Counter-Drug Activities, Defense, $1,263,400,000.

(15) For the Court of Military Appeals, $5,893,000.

(16) For Environmental Restoration, Defense, $1,513,200,000

(17) For Humanitarian Assistance, $25,000,000.

(18) For the Defense Health Program, $9,507,072,000.

(19) For support for the 1996 Summer Olympics, $2,000,000.

(20) For support for the 1993 World University Games, $6,000,000.

(21) For support for the 1994 World Cup Games, $9,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

There is hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $1,123,800,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1993 from the Armed Forces Retirement Home Trust Fund the sum of $62,728,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. HUMANITARIAN ASSISTANCE.

(a) PURPOSE.—(1) Funds appropriated pursuant to the authorization in section 301(17) shall be available for the purposes of section 2551 of title 10, United States Code, including the transportation of humanitarian relief for the people of Afghanistan and Cambodia.

(2) Of the funds authorized to be appropriated for fiscal year 1993 pursuant to section 301(17) for such purpose, not more than $3,000,000 shall be available for distribution of humanitarian relief supplies to displaced persons or refugees who are noncombatants, including those affiliated with the Cambodian non-Communist resistance, at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—Under section 2551(b) of title 10, United States Code, the Secretary of Defense may transfer not more than $3,000,000 of the funds referred to in subsection (a)(1).

(c) CODIFICATION OF AUTHORITY AND ADMINISTRATIVE PROVISIONS.—(1) Chapter 151 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2551. Humanitarian assistance

"(a) AUTHORIZED ASSISTANCE.—To the extent provided in defense authorization Acts and appropriations Acts, funds authorized to be appropriated to the Department of Defense for a fiscal year for humanitarian assistance shall be used for the purpose of providing transportation of humanitarian relief and for other humanitarian purposes worldwide.

"(b) AUTHORITY TO TRANSFER FUNDS.—To the extent provided in defense authorization Acts and appropriations Acts for a fiscal year, the Secretary of Defense may transfer to the Secretary of State funds appropriated for the purpose of this section to provide for—

"(1) the payment of administrative costs incurred in providing the transportation described in subsection (a); and

"(2) the purchase or other acquisition of transportation assets for the distribution of humanitarian relief supplies in the country of destination.

"(c) TRANSPORTATION OF HUMANITARIAN RELIEF.—(1) Transportation for humanitarian relief provided with funds appropriated for the purposes of this section shall be provided under the direction of the Secretary of State.

"(2) Transportation for humanitarian relief provided with funds appropriated for the purposes of this section shall be provided by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to provide transportation other than by the most economical means available. The means used to provide such transportation may include the use of aircraft and personnel of the reserve components of the armed forces.

"(d) AVAILABILITY OF FUNDS.—Funds appropriated for humanitarian assistance for the purposes of this section shall remain available until expended, to the extent provided in appropriation Acts.

"(e) STATUS REPORTS.—(1) The Secretary of Defense shall submit (at the times specified in paragraph (2)) to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report on the provision of humanitarian assistance pursuant to this section.

"(2)(A) Whenever there is enacted a defense authorization Act that contains an authorization of appropriations for humanitarian assistance, a report referred to in paragraph (1) shall be submitted as provided in that paragraph not later than 60 days after the date of the enactment of that Act.

"(B) In addition to reports submitted as provided in subparagraph (A), a report shall be submitted under paragraph (1) not later than June 1 of each year.

"(3) Each report required by paragraph (1) shall cover all provisions of law, contained in defense authorization Acts, that authorize appropriations for humanitarian assistance to be available for the purposes of this section. A report submitted after all amounts appropriated pursuant to such a provision of law have been obligated shall not cover that provision of law.

"(4) Subject to paragraph (3), a report required by paragraph (1) shall contain (as of the date on which the report is submitted) the following information:

"(A) The total amount of funds obligated for humanitarian relief under this section.

"(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under this section.

"(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of this title.

"(f) REPORT REGARDING RELIEF FOR UNAUTHORIZED COUNTRIES.—In any case in which the Secretary of Defense provides for the transportation of humanitarian relief to a country to which the transportation of humanitarian relief has not been specifically authorized by law, the Secretary shall notify the Committees on Appropriations and on Armed Services of the Senate and House of Representatives of the Secretary's intention to transport humanitarian relief to that country. The notification shall be submitted not less than 15 days before the commencement of the transportation of the humanitarian relief to that country.

"(g) DEFINITION.—In this section, the term 'defense authorization Act' means an Act that authorizes appropriations for one or more fiscal years for military activities of the Department of Defense, including the activities described in paragraph (7) of section 114(a) of this title.".

(2) The table of sections at the beginning of chapter 151 of such title is amended by adding at the end the following new item:

"2551. Humanitarian assistance.".

(d) REPEAL OF SUPERSEDED REPORTING REQUIREMENT.—Section 304 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1333) is amended by striking out subsection (f).

SEC. 305. SUPPORT FOR THE 1994 WORLD CUP GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1994 World Cup Games to be held in the United States.

(b) PAY AND NONTRAVEL-RELATED ALLOWANCES.—(1) Except as provided in paragraph (2), the costs for pay and nontravel-related allowances of members of the Armed Forces for the support and services referred to in subsection (a) may not be charged to appropriations made pursuant to the authorization in section 301(21).

(2) Paragraph (1) does not apply in the case of members of a reserve component called or ordered to active duty to provide logistical support and personnel services for the 1994 World Cup Games.

SEC. 306. TRANSFER AUTHORITY.

(a) AUTHORITY.—The Secretary of Defense, to the extent provided in appropriations Acts, may transfer funds as provided in this section during fiscal year 1993.

(b) FROM THE DEFENSE BUSINESS OPERATIONS FUND.—(1) Not more than $3,054,000,000 may be transferred from the Defense Business Operations Fund to appropriations for operations and maintenance for fiscal year 1993 in amounts as follows:

(A) For the Army, $2,229,000,000.

(B) For the Navy, $94,500,000.

(C) For the Marine Corps, $58,500,000.

(D) For the Air Force, $672,000,000.

(2) A transfer under this subsection may be made only—

(A) to the extent that the military department concerned has received credit on the books of the Defense Business Operations Fund for unneeded secondary items returned to the Fund by that military department; or

(B) if the Secretary of Defense certifies to the congressional defense committees that the military department concerned has, to the greatest extent practicable, returned for credit on the books of the Defense Business Operations Fund all secondary items not needed by that military department that were under the control of such military department on October 1, 1992.

(c) FROM THE NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.—Not more than $612,000,000 may be transferred from the National Defense Stockpile Transaction Fund to appropriations for operation and maintenance of Defense Agencies for fiscal year 1993.

(d) 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;

(2) shall be deemed to increase the amount authorized to be appropriated for the account to which the amount is transferred by an amount equal to the amount transferred; and

(3) may not be expended for an item that has been denied authorization of appropriations by Congress.

(e) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—An increase under subsection (d)(2) in an amount authorized to be appropriated is in addition to an increase in that amount that results from a transfer of an authorization of appropriations pursuant to section 1001.

Subtitle B—Environmental Provisions

SEC. 311. EVALUATION OF USE OF OZONE-DEPLETING SUBSTANCES BY THE DEPARTMENT OF DEFENSE.

(a) EVALUATION OF USE OF CLASS I SUBSTANCES.—The Director of the Defense Logistics Agency shall evaluate the use of class I substances by the military departments and Defense Agencies. In carrying out the evaluation, the Director shall—

(1) determine the quantity of each class I substance that—

(A) is held in the inventory of each military department and Defense Agency on December 31, 1992;

(B) will be used by each military department and Defense Agency during 1992; and

(C) will be used by each military department and Defense Agency in each of 1993, 1994, and 1995;

(2) determine the quantity of each class I substance in the inventory of the military departments and Defense Agencies in each of 1993, 1994, and 1995 that can be reclaimed or recycled and reused by the military departments and Defense Agencies;

(3) determine the type and quantity of class I substances whose use will be critical to the missions of the military departments and Defense Agencies after 1995;

(4) determine the type and quantity of class I substances that must be stockpiled after 1995 in order to ensure the availability of such substances, including the availability of used, reclaimed, or recycled class I substances for the missions referred to in paragraph (3);

(5) review the plans, if any, to reclaim, recycle, reuse, and maintain the stockpile referred to in paragraph (4); and

(6) identify each specific site, facility, or vessel in connection with which the President will seek an exemption pursuant to section 604(f) of the Clean Air Act (42 U.S.C. 7671c(f)) to permit the continued production or use of class I substances, and the type and quantity of each class I substance that will be produced or used in connection with the site, facility, or vessel.

(b) EVALUATION OF USE OF CLASS II SUBSTANCES.—The Director of the Defense Logistics Agency shall evaluate the use of class II substances by the military departments and Defense Agencies. In carrying out the evaluation, the Director shall—

(1) determine the quantity of each class II substances that—

(A) is held in the inventory of each military department and Defense Agency on December 31, 1992;

(B) will be used by each military department and Defense Agency during 1992; and

(C) will be used by each military department and Defense Agency in each of 1993, 1994, and 1995; and

(2) determine the quantity of each class II substance in the inventory of the military departments and Defense Agencies in each of 1993, 1994, and 1995 that can be reclaimed or recycled and reused by the military departments and Defense Agencies.

(c) REPORT.—(1) The Director of the Defense Logistics Agency shall submit to the congressional defense committees a report

on the status of the evaluation required under subsection (a) not later than April 1, 1993.

(2) The Director of the Defense Logistics Agency shall submit to the congressional defense committees a report on the status of the evaluation required under subsection (b) not later than October 1, 1993.

(d) DEFINITIONS.—In this section: (1) the term "class I substance" means any substance listed under section 602(a) of the Clean Air Act (42 U.S.C. 7671a(a)).

(2) the term "class II substance" means any substance listed under section 602(b) of the Clean Air Act (42 U.S.C. 7671a(b)).

SEC. 312. REMOVAL OF REQUIREMENTS FOR USE OF CLASS I OZONE-DEPLETING SUBSTANCES IN CERTAIN MILITARY PROCUREMENTS.

(a) PROHIBITION ON CONTRACTS REQUIRING USE OF CLASS I OZONE-DEPLETING SUBSTANCES.—(1) No Department of Defense contract awarded, modified, amended, or extended on or after June 1, 1993, may include a specification or standard that requires the use of a class I ozone-depleting substance or that can be met only through the use of such a substance unless the inclusion of the specification or standard in the contract is approved by the senior acquisition official for the procurement covered by the contract. The senior acquisition official may grant the approval only if the senior acquisition official determines (based upon the certification of an appropriate technical representative of the official) that a suitable substitute for the class I ozone-depleting substance is not currently available.

(2) The senior acquisition official authorized to grant an approval under paragraph (1) shall be determined under regulations prescribed by the Secretary of Defense. A senior acquisition official may not delegate the authority provided in such paragraph.

(3) Beginning on October 1, 1993, each official who grants an approval authorized under paragraph (1) shall submit to the Secretary of Defense a quarterly report on all approvals granted during the quarter. The report shall include a brief description of the specifications or standards so approved.

(4) The Secretary shall promptly transmit to the Committees on Armed Services of the Senate and House of Representatives a compilation of the reports for each quarter that are submitted to the Secretary under paragraph (3). The Secretary shall transmit the compilation in classified and unclassified forms.

(b) COST RECOVERY.—In any case in which a Department of Defense contract is modified or a specification or standard for such a contract is waived at the request of a contractor in order to permit the contractor to use in the performance of the contract a substitute for a class I ozone-depleting substance or an alternative technology for a technology involving the use of a class I ozone-depleting substance, the Secretary of Defense may reimburse the contractor for the reasonable direct costs incurred by the contractor in the use of such substitute or alternative technology, including costs to justify and obtain the modification or waiver and costs of converting to the use of the substitute substance or alternative technology for the performance of that contract. Reimbursements under this subsection shall be consistent with the Federal Acquisition Regulation.

(c) DEFINITION.—In this section, the term "class I ozone-depleting substance" means any substance listed under section 602(a) of the Clean Air Act Amendments of 1990 (42 U.S.C. 7671a(a)).

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SEC. 313. RISK SHARING IN ENVIRONMENTAL RESTORATION CONTRACTS OF THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—Except as provided in paragraph (b), the Secretary of Defense may agree to hold harmless and indemnify any response action contractor for any liability arising out of the contractor's performance in carrying out or related to response actions under section 2701 of title 10, United States Code. Amounts expended pursuant to this section for indemnification of any response action contractor shall be considered governmental response costs.

(b) REQUIREMENT FOR RISK SHARING.—(1) Under regulations prescribed by the Secretary of Defense, the Secretary of a military department shall ensure, when appropriate, that contracts entered into by the Secretary of a military department for environmental restoration activities at military installations and former military installations provide for the military department and the contractors, subcontractors, and sureties on the contracts (and subcontracts under such contracts) to share the risk of liability resulting from such activities.

(2) PROHIBITION.—No contracts referred to in paragraph (1) shall provide indemnification to contractors for liability caused by the conduct of the contractor which was grossly negligent or which constituted intentional misconduct.

(3) LIMITATIONS.—A contract referred to in paragraph (1) which provides indemnification shall include deductibles and shall place limits on the amount of indemnification to be made available.

(c) AUTHORITY FOR CONTRACT PROVISION.—To carry out the requirement in subsection (b), the Secretary of a military department shall—

(1) identify the proposed contracts for environmental restoration activities at military installations and former military installations, or the portions of such proposed contracts, for which it is advisable to provide for the indemnification of the contractors, subcontractors, or sureties on the contracts (and any subcontractors of such contractors or subcontractors);

(2) include in the solicitations for proposals or bids for such contracts a clear statement that the United States will provide such indemnification to such contractors, subcontractors, and sureties; and

(3) in the event that the Secretary enters into such contracts, provide such indemnification.

(d) IMPLEMENTATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) prescribe regulations to carry out the requirements of this section; and

(2) submit to the Committees on Armed Services of the Senate and House of Representatives a plan for the implementation of such requirements.

(e) DEFINITION.—In this section, the term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

SEC. 314. REQUIREMENT FOR IDENTIFICATION OF LAND ON WHICH NO HAZARDOUS SUBSTANCES OR PETROLEUM PRODUCTS OR THEIR DERIVATIVES WERE STORED, RELEASED, OR DISPOSED OF.

Section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)) is amended by adding at the end the following new paragraph:

"(4) IDENTIFICATION OF UNCONTAMINATED PROPERTY.—(A) In the case of real property owned by the United States that is part of a military installation on which is located a site listed on the National Priority List and on which the United States plans to terminate military operations pursuant to a base closure law, the head of the department, agency, or instrumentality of the United States with jurisdiction over the property shall identify the real property on which neither hazardous substances nor petroleum products or their derivatives were stored for 1 year or more, are known to have been released, or were disposed of. Such identification shall be based on an investigation of the real property to determine or discover the presence or likely presence of a release or threatened release of any hazardous substance or any petroleum product and its derivative, including aviation fuel and motor oil, on the real property. The identification shall consist, at a minimum, of—

"(i) a completed preliminary assessment and site investigation; and

"(ii) a review of each of the following sources of information concerning the current and previous uses of the real property:

"(I) A detailed search of Federal Government records pertaining to the property.

"(II) The recorded chain of title documents regarding the real property.

"(III) Aerial photographs that may reflect prior uses of the real property and that are reasonably obtainable through State or local government agencies.

"(IV) A visual inspection of the real property and any buildings, structures, equipment, pipe, pipeline, or other improvements on the real property, and a visual inspection of properties immediately adjacent to the real property.

"(V) A physical inspection of property adjacent to the real property, to the extent permitted by owners or operators of such property.

"(VI) Reasonably obtainable Federal, State, and local government records of each adjacent facility where there has been a release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, and which is likely to cause or contribute to a release or threatened release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, on the real property.

"(VII) Interviews with current or former employees involved in operations on the real property.

Such identification shall also be based on sampling, if appropriate under the circumstances. The results of the identification shall be provided immediately to the Administrator and State and local government officials and made available to the public.

"(B) The identification required under subparagraph (A) shall not be complete until concurrence in the results of the identification is obtained from the Administrator and from the appropriate State official.

"(C) The identification required under subparagraph (A) shall be made not later than 18 months after the military installation is selected for closure pursuant to the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note) or within 1 year after the date of enactment of this section, whichever is later. The concurrence from an appropriate State official required under subparagraph (B) shall be deemed to be obtained if, within 90 days after receiving a request for the concurrence, the State official has not acted (by either concurring or declining to concur) on the request for concurrence.

"(D) In the case of the sale of or transfer of title of any parcel of real property identified under subparagraph (A), the deed entered into for the sale or transfer of such property by the United States to any other person or entity shall contain—

"(i) a covenant warranting that any response action or corrective action found to be necessary as a result of the discovery, after the date of such sale or transfer, of previously unidentified hazardous substances or petroleum derivatives that were released or disposed of as a result of the actions of previous Federal Government operations, shall be conducted by the United States; and

"(ii) a clause granting the United States access to the property in any case in which a response action or corrective action is found to be necessary after such date at such property, or such access is necessary to carry out a response action or corrective action on adjoining or other property.

"(E) The head of the department, agency, or instrumentality of the United States with jurisdiction over the real property subject to this section may sell, lease, or otherwise transfer any right, title, or interest to the real property identified under subparagraph (A) without regard to whether the real property is or has been listed as a site on the National Priorities List.

"(F) Nothing in this paragraph shall affect, preclude, or otherwise impair the termination of Federal Government operations on real property owned by the United States.

"(G) In this paragraph:

"(i) The term 'military installation' has the meaning given that term in section 2687(e)(1) of title 10, United States Code.

"(ii) The term 'base closure law' means the following:

"(I) The Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(II) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(III) Any provision of law authorizing the closure or realignment of a military installation that is enacted on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993.".

SEC. 315. CLARIFICATION OF COVENANT WARRANTING THAT REMEDIAL ACTION HAS BEEN TAKEN.

(a) CLARIFICATION.—Paragraph (3) of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(3)) is amended by adding after the last sentence the following: "For purposes of subparagraph (B)(i), all remedial action described in such subparagraph has been taken if the construction and installation of an approved remedial design has been completed and the Administrator has determined that the remedy is operating properly and successfully. The carrying out of long-term pumping and treating, or operation and maintenance, after the Administrator has determined the remedy is operating properly and successfully, does not preclude the transfer of the property.".

(b) ACCESS TO PROPERTY.—Paragraph (3) of such section is further amended—

(1) by striking out the period at the end of subparagraph (B)(ii) and inserting in lieu thereof "; and"; and

(2) by adding after subparagraph (B) the following new subparagraph:

"(C) a clause granting the United States access to the property in any case in which a response action is found to be necessary at such property after the date of such transfer, or such access is necessary to carry out a response action on adjoining or other property after such date.".

SEC. 316. REQUIREMENT TO NOTIFY STATES OF CERTAIN LEASES.

Section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)), as amended by section 314, is further amended by adding at the end the following new paragraph:

"(5) NOTIFICATION OF STATES REGARDING CERTAIN LEASES.—(A) In the case of real property owned by the United States and used as a military facility on which any hazardous substance or any petroleum product or its derivatives (including aviation fuel and motor oil) was stored for one year or more, is known to have been released, or was disposed of, and on which the United States plans to terminate military operations pursuant to a base closure law, the head of the department, agency, or instrumentality of the United States having jurisdiction over the property shall notify the State in which the property is located of any lease entered into by the United States that will encumber the property beyond the date of termination of operations on the property. Such notification shall be made to the State at least 90 days before entering into the lease and shall include the length of the lease, the name of the person to whom the property is leased, and a description of the uses that will be allowed under the lease of the property and buildings and other structures on the property.

"(B) In subparagraph (A), the term 'base closure law' means the following:

"(i) The Defense Base Closure and Realignment Act of 1990 (title XXIX of Public 101-510; 10 U.S.C. 2687 note).

"(ii) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(iii) Any provision of law authorizing the closure or realignment of a military installation that is enacted on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993.".

SEC. 317. INDEMNIFICATION OF TRANSFEREES OF CLOSING DEFENSE PROPERTY.

(a) IN GENERAL.—(1) Except as provided in subsection (b), the Secretary of Defense shall hold harmless, defend, and indemnify in full the persons and entities described in paragraph (2) from and against all suits, claims, demands or actions, liabilities, judgments, and costs and other fees arising out of, or in any manner predicated upon, the release or threatened release of any hazardous substance or pollutant or contaminant as a result of Department of Defense activities at any military installation (or portion thereof) that is closed pursuant to a base closure law.

(2) The persons and entities described in this paragraph are the following:

(A) Any State (including any officer, agent, or employee of the State) that acquires ownership or control of any facility at a military installation (or any portion thereof) described in paragraph (1).

(B) Any political subdivision of a State (including any officer, agent, or employee of the State) 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).

(b) EXCEPTION.—(1) The Secretary of Defense shall not hold harmless, defend, or indemnify any person or entity described in subsection (a)(2) from any suit, claim, demand or action, liability, judgment, or cost or other fee arising out of a release or threatened release described in subsection (a)(1) to the extent that such person or entity (or any officer, agent, or employee of the entity) caused or contributed to such release or threatened release.

(2) No indemnification may be afforded under this provision 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) immediately furnishes to the Department of Defense copies of all pertinent papers the entity receives;

(C) furnishes evidence or proof of any claim, loss, or damage covered by this section in the manner and form the Department of Defense requires;

(D) complies with the directions of the Department of Defense and executes any authorizations in connection with the settlement or defense of the claim or action; and

(E) cooperates fully and completely with the Department of Defense, and provides to the Department of Defense, upon request, all manner of assistance, including access to the records and personnel of the entity, in defense or settlement of the claim or action.

(c) DEFINITIONS.—In this section:

(1) The terms "facility", "hazardous substance", "release", and "pollutant or contaminant" have the meanings given such terms under paragraphs (9), (14), (22), and (33) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, respectively (42 U.S.C. 9601 (9), (14), (22), and (33)).

(2) The term "military installation" has the meaning given such term under section 2687(e)(1) of title 10, United States Code.

(3) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(D) Any provision of law authorizing the closure or realignment of a military installation enacted on or after the date of the enactment of this Act.

SEC. 318. PROHIBITION ON USE OF ENVIRONMENTAL RESTORATION FUNDS FOR PAYMENT OF FINES AND PENALTIES.

None of the funds appropriated for fiscal year 1993 pursuant to the authorization of appropriations in section 301(16) may be used for the payment of fines or penalties unless the act or omission for which a fine or penalty is imposed arises out of activities funded by that appropriation.

SEC. 319. MODIFICATION OF CONTRACT INDEMNIFICATION AUTHORITY.

(a) MODIFICATION OF AUTHORITY.—Subsection (a) of section 2354 of title 10, United States Code, is amended by inserting "or any contract or contract under a program (including contracts for activities other than research and development) carried out under chapter 160 of this title," after "or both,".

(b) PAYMENT AUTHORITY.—Subsection (d)(2) of such section is amended by inserting "or for contracts or programs carried out under chapter 160 of this title, as the case may be," after "or both,".

SEC. 320. EXTENSION OF AUTHORITY TO ISSUE SURETY BONDS FOR CERTAIN ENVIRONMENTAL PROGRAMS.

(a) TITLE 10.—Section 2701(j) of title 10, United States Code, is amended by striking out "December 31, 1992" and inserting in lieu thereof "December 31, 1995".

(b) CERCLA.—Section 119 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619) is amended—

(1) in subsection (e)(2)(C), by striking out "January 1, 1993" and inserting in lieu thereof "January 1, 1996,"; and

(2) in subsection (g)(5), by striking out "December 31, 1992" and inserting in lieu thereof "December 31, 1995".

SEC. 321. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTIES FOR THE DEPARTMENT OF DEFENSE.

(a) PROHIBITION.—No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1993 may be obligated or expended for the purchase of surety bonds or other guaranties of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

(b) TECHNICAL AMENDMENT.—Section 335 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1342) is amended by striking out "or fiscal year 1993".

SEC. 322. LEGACY RESOURCE MANAGEMENT FELLOWSHIP PROGRAM.

(a) ESTABLISHMENT.—There is established the Legacy Fellowship Program in Natural and Cultural Resource Management (in this section referred to as the "Legacy Fellowship Program"). The Legacy Fellowship Program is a part of the Legacy Resource Management Program established pursuant to section 8120 of the Department of Defense Appropriations Act, 1991 (Public Law 101-511; 104 Stat. 1905).

(b) PURPOSES.—The purposes of the Legacy Fellowship Program are as follows:

(1) To support the purposes of the Legacy Resource Management Program set forth in section 8120(b) of such Act.

(2) To provide training to civilian personnel and military personnel in the management of natural and cultural resources.

(c) FELLOWS.—(1) The Legacy Fellowship Program shall be composed of not less than 3 fellows who shall be appointed by the Deputy Assistant Secretary of Defense for Environment. Such fellows shall be appointed from among qualified persons in the military and civilian sectors.

(2)(A) Each fellow who is an officer or employee of the United States shall serve without compensation in addition to that received for the services as an officer or employee of the United States. Any such service shall be without interruption or loss of civil service status or privilege.

(B) The Deputy Assistant Secretary of Defense shall fix (in an amount the Deputy Assistant Secretary determines appropriate) the compensation of the fellows, if any, who are not officers or employees of the United States. Such fellows shall not be considered employees of the Federal Government other than for purposes of chapter 81 of title 5, United States Code.

(3) Fellows shall serve for a term of one year and may be reappointed for an additional term of one year.

(4) The Deputy Assistant Secretary of Defense shall assign the fellows to an agency, office, or other entity (other than the Office of the Deputy Assistant Secretary of Defense for Environment) that is responsible for the implementation of the Legacy Resource Management Program in the Department of Defense. Upon assignment, the fellow shall assist the agency, office, or entity in carrying out the purposes of the Legacy Resource Management Program.

(d) FUNDING.—Of the funds authorized to be appropriated in fiscal year 1993 for the Department of Defense and made available for the Legacy Resource Management Program, $100,000 may be used for the Legacy Fellowship Program. Such funds shall be available for obligation without fiscal year limitation.

SEC. 323. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.

In addition to the amounts otherwise authorized to be appropriated for fiscal years 1992 and 1993 in this Act there is authorized to be appropriated for such fiscal years—

(1) for Environmental Restoration, Defense, the total amount of $447,500,000; and

(2) for the Department of Defense Base Closure Account 1990 the total amount of $35,000,000.

Subtitle C—Defense Economic Diversification, Conversion, and Stabilization

SEC. 331. REVISION OF AUTHORITIES RELATING TO THE ECONOMIC ADJUSTMENT COMMITTEE.

(a) PERMANENT CHAIRMAN.—Subsection (b) of section 4004 of the Defense Economic Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101-510; 10 U.S.C. 2391 note) is amended to read as follows:

"(b) CHAIRMAN.—The Secretary of Defense shall be the Chairman of the Committee.".

(b) EXECUTIVE COUNCIL.—Section 4004 of such Act is further amended—

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

(2) by adding after subsection (b) the following new subsection (c):

"(c) EXECUTIVE COUNCIL.—The Chairman shall establish an Executive Council of the Committee from appropriate representatives of the Department of Defense, the Department of Commerce, the Department of Labor, and the Small Business Administration. Under the direction of the Chairman, the Executive Council shall develop policies and procedures to ensure that communities, businesses, and workers substantially and seriously affected by reductions in defense expenditures are advised of the assistance available to such communities, businesses, and workers under programs administered by such departments and that agency.".

(c) NOTIFICATION OF ECONOMIC ADJUSTMENT PLANNING.—Section 4101(a) of such Act is amended—

(1) by striking out paragraph (1);

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

(3) by striking out "or" at the end of paragraph (1) (as so redesignated);

(4) by striking out the period at the end of paragraph (2) (as so redesignated) and inserting in lieu thereof "; or"; and

(5) by adding at the end the following new paragraph (3):

"(3) the lack of any follow-on contracts or other defense-related contract activity.".

SEC. 332. AUTHORIZATIONS OF APPROPRIATIONS FOR CERTAIN DEFENSE STABILIZATION ACTIVITIES.

(a) ASSISTANCE THROUGH THE ECONOMIC DEVELOPMENT ADMINISTRATION.—Section 4103(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2391 note) is amended by inserting "and for fiscal year 1993 $150,000,000" after "$50,000,000".

(b) DEFENSE CONVERSION ADJUSTMENT.—Section 4203(a) of such Act (10 U.S.C. 2391 note) is amended by inserting "and $50,000,000 for fiscal year 1993" after "fiscal year 1991".

SEC. 333. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Defense, in consultation with the Secretary of Education, shall provide financial assistance to local educational agencies in States as provided in this section.

(b) SCHOOLS WITH SIGNIFICANT NUMBERS OF MILITARY DEPENDENT STUDENTS.—(1) The Secretary of Defense shall provide financial assistance to an eligible local educational agency if, without such assistance, that agency will be unable (as determined by the Secretary of Defense in consultation with the Secretary of Education) to provide the students in the schools of the agency with a level of education that is equivalent to the minimum level of education available in the schools of the other local educational agencies in the same State.

(2) A local educational agency is eligible for assistance under this subsection for a fiscal year if—

(A) at least 30 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools of that agency in that fiscal year are military dependent students described in section 3(a) or 3(b) of Public Law 81-874 (20 U.S.C. 238(a)); or

(B) by reason of a consolidation or reorganization of local educational agencies, the local educational agency is a successor of a local educational agency that, for fiscal year 1992—

(i) was eligible to receive payments in accordance with Department of Defense Instruction 1342.18, dated June 3, 1991; and

(ii) satisfied the requirement in subparagraph (A).

(c) ADJUSTMENT PAYMENTS RELATED TO BASE CLOSURES AND REALIGNMENTS.—To assist communities in making adjustments resulting from reductions in the size of the Armed Forces, the Secretary of Defense shall transfer to the Secretary of Education funds to make payments to local educational agencies that are entitled to receive under section 3 of Public Law 81-874 (20 U.S.C. 238) payments adjusted in accordance with subsection (e) of such section by reason of conditions described in subparagraphs (A) through (C) of paragraph (1) of such subsection that result from closures and realignments of military installations.

(d) REPORT ON IMPACT OF BASE CLOSURES ON EDUCATIONAL AGENCIES.—(1) Not later than February 15 of each of 1993, 1994, and 1995, the Secretary of Defense, in consultation with the Secretary of Education, shall submit to Congress a report on the local educational agencies affected by the closures and realignment of military installations and by redeployments of members of the Armed Forces.

(2) Each report shall contain the following:

(A) The number of dependent children of members of the Armed Forces or civilian employees of the Department of Defense who entered the schools of the local educational agencies during the preceding school year as a result of closures, realignments, or redeployments.

(B) The number of dependent children of such members or employees who withdrew from the schools of the local educational agencies during that school year as a result of closures, realignments, or redeployments.

(C) The amounts paid to the local educational agencies during that year under Public Law 81-874 (20 U.S.C. 236 et seq.) or any other provision of law authorizing the payment of financial assistance to local communities or local educational agencies on the basis of the presence of dependent children of such members or employees in such communities and in the schools of such agencies.

(D) The projected transfers of such members and employees in connection with closures, realignments, and redeployments during the 12-month period beginning on the date of the report, including—

(i) the installations to be closed or realigned;

(ii) the installations to which personnel will be transferred as a result of closures, realignments, and redeployments; and

(iii) the effects of such transfers on the number of dependent children who will be included in determinations with respect to the payment of funds to each affected local educational agency under subsections (a) and (b) of section 3 of Public Law 81-874 (20 U.S.C. 238).

(e) DEFINITIONS.—In this section:

(1) The term "local education agency" has the meaning given that term in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)).

(2) The term "State" has the meaning given that term in section 3(d)(3)(D)(i) of Public Law 81-874 (20 U.S.C. 238(d)(3)(D)(i)).

(3) The term "military dependent student" means a student that is a dependent child of a member of the Armed Forces.

(f) FUNDING.—Of the amounts appropriated for the Department of Defense for operation and maintenance in fiscal year 1993 pursuant to the authorization of appropriations in section 301—

(1) $50,000,000 shall be available for providing assistance to local educational agencies under subsection (b); and

(2) $8,000,000 shall be available for making payments to local educational agencies under subsection (c).

SEC. 334. IMPACT AID.

Section 3(e)(1) of Public Law 81-874 (20 U.S.C. 238(e)(1)) is amended in the matter following subparagraph (C) by inserting "shall not be less than 100 percent of the payment such agency received under subsections (a) and (b) for the preceding fiscal year," after "for such fiscal year".

SEC. 335. EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS.

(a) USE OF FUNDS.—Section 325(c) of such Act (29 U.S.C. 1662d(c)) is amended to read as follows:

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—Grants made under subsection (a) may be used for any purpose for which funds may be used under section 314 or this part.

"(2) RESERVATION.—

"(A) IN GENERAL.—The Secretary shall reserve at least 10 percent of the funds appropriated to carry out this section for the purpose of making grants to States under subsection (a) to provide the reimbursement described in subparagraph (B).

"(B) REIMBURSEMENT.—A grant described in subparagraph (A) may be used to reimburse a State for the funds reserved by the State, pursuant to section 302(c), that—

"(i) are expended for rapid response assistance and basic readjustment services (not including support services) described in paragraphs (1) and (2) of section 314(a), respectively; and

"(ii) are delivered to eligible dislocated workers adversely affected by reductions in expenditures by the United States for defense or by closures of United States military installations, as determined in accordance with regulations of the Secretary of Defense.".

(b) NOTICE REQUIREMENTS.—Section 325 of such Act (42 U.S.C. 1662d) is amended by adding at the end the following new subsections:

"(e) NOTICE REQUIREMENTS.—

"(1) SECRETARY OF DEFENSE NOTICE REQUIREMENT.—To the extent practicable, the Secretary of Defense shall provide 6 months advance notice to a defense contractor of any cancellation of, or substantial reduction in, a defense contract, that will adversely affect the defense contractor.

"(2) DEFENSE CONTRACTOR NOTICE REQUIREMENT.—Not later than 2 weeks after a defense contractor receives notice under paragraph (1) of the cancellation of, or substantial reduction in, a defense contract, the contractor shall provide notice of such cancellation or substantial reduction to—

"(A)(i) each representative of employees whose work is directly related to the contract that is being canceled or substantially reduced and who are employed by the defense contractor; or

"(ii) if there is no such representative at that time, each such employee;

"(B) the State dislocated worker unit or office described in section 311(b)(2) and the chief elected official of the unit of general local government within which such adverse effect may occur.

"(3) CONSTRUCTIVE NOTICE OF TERMINATION FOR EMPLOYEES.—The notice provided under paragraph (2)(A) to the employees of a defense contractor shall be considered to be notice of termination to the employees for the purposes of determining whether such employees are eligible dislocated workers under this title, except where the employer has specified that the loss of such contract is not likely to result in plant closure or mass layoff. Any employee considered to be such a worker solely on the basis of such notice shall be eligible to receive services under section 314(b) and under paragraphs (1) through (14) of section 314(c).

"(4) DEFENSE CONTRACTOR.—For purposes of this subsection, the term 'defense contractor' means a private person producing goods or services pursuant to—

"(A) one or more defense contracts for not less than $500,000 entered into with the Department of Defense; or

"(B) one or more subcontracts—

"(i) entered into in connection with a defense contract; and

"(ii) for a total amount of not less than $500,000.".

SEC. 336. POLICY TO EXPEDITE ASSISTANCE.

(a) TRANSFERS.—In each case in which the Secretary of Defense is required under this Act or an amendment made by this Act to transfer funds to another department or agency of the Federal Government for the purpose of funding programs that provide assistance to recipients adversely affected by reduced spending by the Department of Defense, including communities and local educational agencies adversely affected by closures and realignments of military installations, and in each case in which the Secretary is authorized to make such a transfer and exercises the authority to do so, the Secretary shall make the transfer as expeditiously as is practicable.

(b) SPENDING.—In each case in which the Secretary of Defense is required under this Act or an amendment made by this Act to provide assistance to recipients adversely affected by reduced spending by the Department of Defense, including communities and local educational agencies adversely affected by closures and realignments of military installations, and in each case in which the Secretary is authorized to provide that assistance and exercises the authority to do so, the Secretary shall make the funds available for providing that assistance as expeditiously as is practicable. The Secretary shall expedite the processing of applications and other requests for such assistance, including applications for grants.

SEC. 337. ECONOMIC ADJUSTMENT PLANNING ASSISTANCE.

Notwithstanding any other provision of law, of the amount authorized to be appropriated to the Department of Defense for fiscal year 1993 for the Office of Economic Adjustment, 10 percent of such amount shall be available for providing financial assistance for economic adjustment planning in geographic areas in which a substantial portion of the economic activity or the population is dependent on Department of Defense expenditures, as determined by the Secretary of Defense.

Subtitle D—Department of Defense Civilian Personnel Transition Initiatives

SEC. 341. REEMPLOYMENT IN THE COMPETITIVE SERVICE.

(a) REEMPLOYMENT AFTER REDUCTION IN FORCE.—Subchapter I of chapter 35 of title 5, United States Code, is amended by adding at the end the following new section:

"§3505. Reemployment after reduction in force for certain employees

"(a) For purposes of this section, the term—

"(1) 'employee' means an employee of the Department of Defense, including each military department, serving under an appointment without time limitation, who has been currently employed for a continuous period of at least 12 months; and

"(2) 'Secretary concerned' means—

"(A) the Secretary of the Army with respect to employees of the Department of the Army;

"(B) the Secretary of the Navy with respect to employees of the Department of the Navy;

"(C) the Secretary of the Air Force with respect to employees of the Department of the Air Force; and

"(D) the Secretary of Defense with respect to all other employees of the Department of Defense.

"(b) Subject to the provisions of subsection (c), if the Secretary concerned separates an employee from employment under regulations for a reduction in force under section 3502(a) of this title, and within 2 years after the date of such separation—

"(1) seeks to employ a person for a position in the competitive area which was the employee's competitive area at the time of the separation and the separated employee is qualified for appointment to that position, the Secretary shall offer the separated employee reemployment in such position before offering employment to any other person for such position; or

"(2) seeks to employ a person for the position from which such employee was separated or to perform the duties performed by such employee, the Secretary may not employ a contract employee or a temporary employee for such position or to perform the duties which were performed by the separated employee.

"(c) If the Secretary concerned separates employees from employment in positions in a competitive area under regulations for a

reduction in force under section 3502(a) of this title, and within 2 years after the date of the last such separation seeks to employ persons in all or some of such positions, but not in a sufficient number to result in the reemployment of all such separated employees, the Secretary, before offering employment in any of those positions to any other persons, shall offer such separated employees (if qualified) reemployment in accordance with sections 3309 through 3317 of this title (and any other provision of law relating to the employment of preference eligibles) and on the basis of seniority in Federal Service.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 35 of title 5, United States Code, is amended by inserting after the item relating to section 3504 the following:

"3505. Reemployment after reduction in force for certain employees.".

SEC. 342. REEMPLOYMENT ASSISTANCE.

(a) REQUIREMENT THAT A GOVERNMENT-WIDE LIST OF VACANT POSITIONS BE MAINTAINED.—(1)(A) Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

"§3329. Government-wide list of vacant positions

"(a) For the purpose of this section, the term 'agency' means an Executive agency, excluding the General Accounting Office and any agency (or unit thereof) whose principal function is the conduct of foreign intelligence or counterintelligence activities, as determined by the President.

"(b) The Office of Personnel Management shall establish and keep current a comprehensive list of all announcements of vacant positions in the competitive service within each agency that are to be filled by appointment for more than one year and for which applications are being (or will soon be) accepted from outside the agency's work force.

"(c) Included for any position listed shall be—

"(1) a brief description of the position, including its title, tenure, location, and rate of pay;

"(2) application procedures, including the period within which applications may be submitted and a contact point for additional information; and

"(3) any other information which the Office considers appropriate.

"(d) The list shall be available to members of the public.

"(e) The Office shall prescribe such regulations as may be necessary to carry out this section. Any requirement under this section that agencies notify the Office as to the availability of any vacant positions shall be designed so as to avoid any duplication of information otherwise required to be furnished under section 3327 of this title or any other provision of law.".

(B) The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by inserting after the item relating to section 3328 the following:

"3329. Government-wide list of vacant positions.".

(2) No later than 120 days after the date of the enactment of this Act, the Director of the Office of Personnel Management shall begin providing the information on the list referred to in section 3329 of title 5, United States Code (as added by this subsection) by means of a toll-free telephone number (commonly referred to as an 800 number).

(b) TEMPORARY MEASURES TO FACILITATE REEMPLOYMENT OF CERTAIN DISPLACED FEDERAL EMPLOYEES.—(1) For the purpose of this subsection—

(A) the term "agency" means an Executive agency (as defined by section 105 of title 5, United States Code), excluding the General Accounting Office and the Department of Defense; and

(B) the term "displaced employee" means any individual who is—

(i) an employee of the Department of Defense who has been given specific notice that such employee is to be separated due to a reduction in force; or

(ii) a former employee of the Department of Defense who was involuntarily separated therefrom due to a reduction in force.

(2) In accordance with regulations which the Office of Personnel Management shall prescribe, consistent with otherwise applicable provisions of law, an agency shall, in filling a vacant position for which a qualified displaced employee has applied in timely fashion, give full consideration to the application of the displaced employee before selecting any applicant for employment from outside the agency for the position.

(3) A displaced employee is entitled to consideration in accordance with this subsection for the 12-month period beginning on the date such employee receives the specific notice referred to in paragraph (1)(B)(i), except that, if the employee is separated pursuant to such notice, the right to such consideration shall continue through the end of the 12-month period beginning on the date of separation.

(4)(A) This subsection shall apply to any individual who—

(i) became a displaced employee within the 12-month period ending immediately before the date of enactment of this Act; or

(ii) becomes a displaced employee on or after the date of enactment of this Act and before October 1, 1997.

(B) In the case of a displaced employee described in subparagraph (A)(i), for purposes of computing any period of time under paragraph (3), the date of the specific notice described in paragraph (1)(B)(i) (or, if the employee was separated as described in paragraph (1)(B)(ii) before the date of enactment of this Act, the date of separation) shall be deemed to have occurred on such date of enactment.

(C) Nothing in this subsection shall be considered to apply with respect to any position—

(i) which has been filled as of the date of enactment of this Act; or

(ii) which has been excepted from the competitive service because of its confidential, policy-determining, policy-making or policy-advocating character.

SEC. 343. REDUCTION-IN-FORCE NOTIFICATION REQUIREMENTS.

(a) IN GENERAL.—Section 3502 of title 5, United States Code, is amended by adding at the end the following:

"(d)(1) Except as provided in subsection (e), an employee may not be released from employment due to a reduction in force, unless—

"(A) such employee and such employee's exclusive representative for collective-bargaining purposes (if any) are given written notice, in conformance with the requirements of paragraph (2), at least 60 days before such employee is so released; and

"(B) if the reduction in force would involve the separation of a significant number of employees, the requirements of paragraph (3) are met at least 60 days before any employee is so released.

"(2) Any notice under paragraph (1)(A) shall include—

"(A) the personnel action to be taken with respect to the employee involved;

"(B) the effective date of the action;

"(C) a description of the procedures applicable in identifying employees for release;

"(D) the employee's ranking relative to other competing employees, and how that ranking was determined; and

"(E) a description of any appeal or other rights which may be available to the employee.

"(3) Notice under paragraph (1)(B)—

"(A) shall be given to—

"(i) the appropriate State dislocated worker unit or units (referred to in section 311(b)(2) of the Job Training Partnership Act (29 U.S.C. 1661(b)(2)); and

"(ii) the chief elected official of such unit or each of such units of local government as may be appropriate; and

"(B) shall consist of written notification as to—

"(i) the number of employees to be separated from service due to the reduction in force (broken down by geographic area or on such other basis as may be required under the regulations prescribed pursuant to paragraph (4));

"(ii) when those separations shall occur; and

"(iii) any other matter which might facilitate the delivery of rapid response assistance or other services under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

"(4) The Office shall prescribe such regulations as may be necessary to carry out this subsection. The Office shall consult with the Secretary of Labor on matters relating to the Job Training Partnership Act.

"(e)(1) Subject to paragraph (3), upon request submitted under paragraph (2), the President may, in writing, shorten the period of advance notice required under subsection (d)(1) (A) and (B), with respect to a particular reduction in force, if necessary because of circumstances not reasonably foreseeable.

"(2) A request to shorten notice periods shall be submitted to the President by the head of the agency involved and shall indicate the reduction in force to which the request pertains, the number of days by which the agency head requests that the periods be shortened, and the reasons why the request is necessary.

"(3) No notice period may be shortened to less than 30 days under this subsection.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to any personnel action taking effect on or after the last day of the 90-day period beginning on the date of enactment of this Act.

SEC. 344. ALLEVIATION OF ADVERSE EFFECTS OF BASE CLOSURES ON EMPLOYEES AT THE BASE.

(a) 1990 CLOSURE AND REALIGNMENT ACT.—Section 2905 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 subsection:

"(e) ASSISTANCE FOR ADVERSELY AFFECTED EMPLOYEES.—(1) Unless a civilian employee of the Department of Defense employed at a military installation being closed or realigned under this part earlier receives an actual notice of termination, the date determined by the Secretary of Defense under paragraph (2) shall be considered to be the date of notice of termination to the employee for purposes of determining the employee's eligibility for assistance under the defense conversion adjustment program

under section 325 of the Job Training Partnership Act (29 U.S.C. 1662d).

"(2) The date referred to in paragraph (1) is the date that is 12 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.".

(b) 1988 CLOSURE AND REALIGNMENT ACT.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(d) ASSISTANCE FOR ADVERSELY AFFECTED EMPLOYEES.—(1) Unless a civilian employee of the Department of Defense employed at a military installation being closed or realigned under this part earlier receives an actual notice of termination, the date determined by the Secretary of Defense under paragraph (2) shall be considered to be the date of notice of termination to the employee for purposes of determining the employee's eligibility for assistance under the defense conversion adjustment program under section 325 of the Job Training Partnership Act (29 U.S.C. 1662d).

"(2) The date referred to in paragraph (1) is the date that is 12 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.".

SEC. 345. OTHER EMPLOYEE ASSISTANCE.

(a) DEPARTMENT OF DEFENSE EMPLOYEE SEPARATION BENEFITS.—(1) Subchapter IX of chapter 55 of title 5, United States Code, is amended by adding at the end the following:

"§ 5597. Employee separation benefits for certain employees

"(a) For purposes of this section, the term—

"(1) 'employee' means an employee of the Department of Defense, including each military department, serving under an appointment without time limitation who has been currently employed for a continuous period of at least 12 months; and

"(2) 'Secretary concerned' means—

"(A) the Secretary of the Army with respect to an employee of the Department of the Army;

"(B) the Secretary of the Navy with respect to an employee of the Department of the Navy;

"(C) the Secretary of the Air Force with respect to an employee of the Department of the Air Force; and

"(D) the Secretary of Defense with respect to all other employees of the Department of Defense.

"(b) The Secretary concerned may authorize the payment of a civilian employee separation benefit to an employee who separates voluntarily from employment, by retirement or resignation, in accordance with the provisions of this section and any regulations prescribed by such Secretary.

"(c) Subject to subsection (g), a civilian employee separation benefit under this section may be offered to—

"(1) all employees at an installation or organization of the Department of Defense that is to be closed or reduced in force;

"(2) all employees in one or more occupational series or grades, or combinations or subdivisions thereof, at an installation or organization of the Department of Defense, when the Secretary concerned determines that the voluntary separation of such employee would—

"(A) increase placement opportunities for other employees affected by the closure or reorganization of installations or organizations of the Department of Defense;

"(B) reduce the need for involuntary separations as a result of such closure or reorganization; or

"(C) otherwise serve the personnel management needs of the Department of Defense.

"(d) An offer of a civilian employee separation benefit under this section shall be limited to a specific period of time, and the benefit shall be payable only to an employee whose voluntary separation, by resignation, or retirement, is effective during such period.

"(e) A civilian employee separation benefit under this section shall be paid in a lump sum, and shall be the lesser of—

"(1) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of this title if the employee were entitled to payment under such section; or

"(2) $20,000.

"(f)(1) The Secretary concerned shall take such actions as may be necessary to ensure that any employee to whom a civilian employee separation benefit is offered under this section is able to consider such offer freely without duress or coercion of any kind.

"(2) A declination of an offer of a civilian employee separation benefit under this section shall not have any effect on an employee's rights and benefits under any other provision of law.

"(g) An employee who retires entitled to an immediate annuity under section 8336 (other than under subsection (d)) or 8412 of this title is not eligible to receive a separation benefit under this section.

"(h) The Secretary concerned may prescribe such regulations as he determines necessary for the administration of this section.

"(i) No civilian employee separation benefit may be paid under this section with respect to a separation occurring after December 31, 1997.".

(2) The table of sections at the beginning of chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5596 the following:

"5597. Employee separation benefits for certain employees.".

(b) RESTORATION OF CERTAIN LEAVE.—Section 6304(d) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(3) For the purpose of this subsection, the closure of an installation of the Department of Defense, during the period beginning on October 1, 1992, and ending on December 31, 1997, shall be deemed to create an exigency of the public business and any leave that is lost by an employee of such installation by operation of this section (regardless of whether such leave was scheduled) shall be restored to the employee and shall be credited and available in accordance with paragraph (2).".

(c) REPORT.—At the end of each of fiscal year 1993 through fiscal year 1998, the Secretary of Defense shall submit to the President, the Congress, and the Director of the Office of Personnel Management a report on the effectiveness and costs of carrying out the amendments made by this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective on the date of enactment of this Act.

SEC. 346. CONTINUED HEALTH BENEFITS.

(a) IN GENERAL.—Section 8905a(d) of title 5, United States Code, is amended—

(1) in paragraph (1)(A) by striking "An individual" and inserting "Except as provided in paragraph (4), an individual";

(2) in paragraph (2) by striking "in accordance with paragraph (1))" and inserting "in accordance with paragraph (1) or (4), as the case may be)"; and

(3) by adding at the end the following:

"(4)(A) If the basis for continued coverage under this section is an involuntary separation from a position in or under the Department of Defense due to a reduction in force—

"(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

"(ii) the agency which last employed the individual shall pay the remaining portion of the amount required under paragraph (1)(A).

"(B) This paragraph shall apply with respect to any individual whose continued coverage is based on a separation occurring on or after the date of enactment of this paragraph and before—

"(i) October 1, 1997; or

"(ii) February 1, 1998, if specific notice of such separation was given to such individual before October 1, 1997.".

(b) SOURCE OF PAYMENTS.—Any amount which becomes payable by an agency as a result of the enactment of subsection (a) shall be paid out of funds or appropriations available for salaries and expenses of such agency.

SEC. 347. THRIFT SAVINGS PLAN BENEFITS OF EMPLOYEES SEPARATED BY A REDUCTION IN FORCE.

(a) BENEFITS.—Section 8433(b) of title 5, United States Code, is amended by inserting "any employee who separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "chapter 81 of this title,".

(b) PROTECTIONS FOR SPOUSES.—Section 8435(c)(2)(A) of title 5, United States Code, is amended by inserting ", or who separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "8451 of this title".

(c) APPLICATION TO CIVIL SERVICE RETIREMENT SYSTEM EMPLOYEES.—Section 8351(b)(4) of title 5, United States Code, is amended by inserting ", separates from Government employment pursuant to regulations under section 3502(a) of this title or procedures under section 3595(a) of this title in a reduction in force," after "section 8337 of this title)".

SEC. 348. SKILL TRAINING PROGRAMS IN THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—(1) Under regulations prescribed by the Secretary of Defense, the Secretaries of the military departments, and the Secretary of Defense with respect to employees of Department of Defense other than employees of the military departments, may provide not more than one year of training in training facilities of the Department to civilian employees of the Department of Defense who are separated from employment as a result of a reduction in force or a closure or realignment of a military installation.

(2) Training may be provided under this subsection during the period beginning on October 1, 1992, and ending on September 30, 1995.

(b) REGISTER OF TRAINING PROGRAMS.—Not later than February 1, 1993, the Secretary of Defense, in consultation with the Secretary of Labor and the Director of the Office of Personnel Management, shall publish a register of the skill training programs carried out by the Department of Defense. The register shall—

(1) include a list of the skill training programs;

(2) provide information on the location of such programs, the training provided under

such programs, and the number of persons who may receive training under such programs; and

(3) identify the programs that provide training in skills that are useful to employees in the civilian work force.

SEC. 349. REPORT RELATING TO CONTINUING HEALTH BENEFITS COVERAGE OF CERTAIN TERMINATED EMPLOYEES OF DEFENSE CONTRACTORS.

(a) REPORT REQUIRED.—Not later than March 1, 1993, the Under Secretary of Defense for Acquisition shall submit to Congress a report on matters relating to the provision by contractors of the Department of Defense of continuing health benefits coverage to employees of such contractors who are involuntarily separated from such employment by reason of the termination or curtailment of defense contracts.

(b) CONTENT OF REPORT.—The report shall contain—

(1) an estimate of the number of employees referred to in subsection (a) who will be involuntarily separated from employment referred to in that subsection for the reason referred to in that subsection during each of fiscal years 1993 and 1994;

(2) an estimate of the number of such employees who will elect in each such fiscal year to receive continuation coverage under section 4980B of the Internal Revenue Code of 1986, and an estimate of the aggregate monthly costs that will be incurred during such fiscal years by such employees who make the elections;

(3) an estimate of the cost to the Department of Defense of providing continuing health benefits coverage to such employees in the same manner as continuing health benefits are provided to individuals under paragraph (4) of section 8905a(d) of title 5, United States Code, as added by section 346(a);

(4) an assessment of the capability of the employers of such employees to bear a portion or all of the costs estimated under paragraph (3) and a description of any current efforts by such employers to bear such costs; and

(5) recommendations relating to the optimal allocation of such costs between the Federal Government and such employers.

Subtitle E—Other Matters

SEC. 351. LIMITATIONS ON THE USE OF DEFENSE BUSINESS OPERATIONS FUND.

(a) EXTENSION OF LIMITATION ON PERIOD OF MANAGEMENT.—Section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1336; 10 U.S.C. 2208 note) is amended by striking out "the date of the enactment of this Act and ending on April 15, 1993" and inserting in lieu thereof "December 5, 1991, and ending on April 15, 1994".

(b) TECHNICAL AMENDMENTS.—(1) Section 316(a) of such Act is further amended by inserting "(in this section referred to as the 'Fund')" before the period at the end of the first sentence.

(2) Paragraphs (1) and (2) of section 316(b) of such Act are amended by striking out "the date of the enactment of this Act" and inserting in lieu thereof "December 5, 1991".

SEC. 352. LIMITATION ON OBLIGATIONS AGAINST DEFENSE BUSINESS OPERATIONS FUND.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the supply management divisions of the Defense Business Operations Fund of the Department of Defense during fiscal year 1993 in a total amount in excess of 65 percent of the total amount derived from sales from such divisions during that fiscal year.

(2) For purposes of determining the amount of obligations incurred against, and sales from, such divisions during fiscal year 1993, the Secretary shall exclude obligations and sales for fuel, commissary and subsistence items, retail operations, repair of equipment, and the cost of operations.

(b) EXCEPTION.—The Secretary of Defense may waive the limitation described in subsection (a) if the Secretary determines that such waiver is critical to the national security of the United States. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

SEC. 353. ANNUAL REPORT ON SECURITY AND CONTROL OF SUPPLIES.

(a) ANNUAL REPORT.—Subsection (a) of section 2891 of title 10, United States Code, is amended by striking out "for each of fiscal years 1989, 1990, and 1991" and inserting in lieu thereof "for each of fiscal years 1992, 1993, and 1994".

(b) CONTENT OF REPORT.—Subsection (b) of such section is amended by adding at the end the following new paragraphs:

"(9) A summary description of the cases determined by the Secretary of Defense to be cases of major thefts of Department of Defense supplies during the fiscal year preceding the fiscal year in which the report is submitted, including any case involving a loss in an amount greater than $1,000,000 or a loss of sensitive or classified items.

"(10) The value, and an analysis, of in-transit losses that occurred during the fiscal year preceding the fiscal year in which the report is submitted.".

SEC. 354. REPEAL OF REQUIREMENT FOR GUIDELINES FOR FUTURE REDUCTIONS OF CIVILIAN EMPLOYEES OF INDUSTRIAL-TYPE OR COMMERCIAL-TYPE ACTIVITIES.

(a) REPEAL.—Section 1597 of title 10, United States Code, is repealed.

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 1597.

SEC. 355. PROMOTION OF CIVILIAN MARKSMANSHIP.

(a) AUTHORITY OF THE SECRETARY OF THE ARMY.—(1) Section 4308 of title 10, United States Code, is amended to read as follows:

"§ 4308. Promotion of civilian marksmanship: authority of the Secretary of the Army

"(a) PROGRAM REQUIRED.—(1) The Secretary of the Army, under regulations approved by him upon the recommendation of the National Board for the Promotion of Rifle Practice, shall provide for—

"(A) the operation and maintenance of indoor and outdoor rifle ranges and their accessories and appliances;

"(B) the instruction of citizens of the United States in marksmanship, and the employment of necessary instructors for that purpose;

"(C) the promotion of practice in the use of rifled arms, the maintenance and management of matches or competitions in the use of those arms, and the issue (without cost to the United States) of the arms, ammunition, targets, and other supplies and appliances necessary for those purposes to gun clubs under the direction of the National Board for the Promotion of Rifle Practice that provide training in the use of rifled arms to youth, the Boy Scouts of America, 4-H Clubs, Future Farmers of America, and other youth-oriented organizations for training and competition;

"(D) the award to competitors of trophies, prizes, badges, and other insignia;

"(E) the loan or sale at fair market value of caliber .30 rifles, caliber .22 rifles, and air rifles, and the sale of ammunition at fair market value, to gun clubs that—

"(i) are under the direction of the National Board for the Promotion of Rifle Practice; and

"(ii) provide training in the use of rifled arms;

"(F) the sale at fair market value of arms (including surplus M-1 Garand rifles), ammunition, targets, and other supplies and appliances necessary for target practice to citizens of the United States over 18 years of age who are members of a gun club under the direction of the National Board for the Promotion of Rifle Practice;

"(G) the maintenance of the National Board for the Promotion of Rifle Practice, including provision for its necessary expenses and those of its members and for the Board's expenses incidental to the conduct of the Board's annual meetings;

"(H) the procurement of necessary supplies, appliances, trophies, prizes, badges, and other insignia, clerical and other services, and labor; and

"(I) the transportation of employees, instructors, and civilians to give or to receive instruction or to assist or engage in practice in the use of rifled arms, and the transportation and subsistence, or an allowance instead of subsistence, of members of teams authorized by the Secretary to participate in matches or competitions in the use of rifled arms.

"(2) Under the authority of paragraph (1)(C), the Secretary of the Army may issue for use in training and marksmanship competitions caliber .22 ammunition and caliber .30 ammunition to gun clubs that—

"(A) are under the direction of the National Board for the Promotion of Rifle Practice; and

"(B) provide training in the use of rifled arms to youth or to such youth-oriented organizations as the Boy Scouts of America, 4-H clubs, and Future Farmers of America.

"(b) ADDITIONAL AUTHORITY.—The Secretary may—

"(1) provide personnel services (in addition to pay and nontravel-related allowances for members of the armed forces) in carrying out the Civilian Marksmanship Program; and

"(2) impose reasonable fees for persons and gun clubs participating in any program conducted by the Secretary for the promotion of marksmanship among civilians.

"(c) AMOUNTS COLLECTED.—Amounts collected by the Secretary under the Civilian Marksmanship Program, including the proceeds from the sale of arms, ammunition, targets, and other supplies and appliances under subsection (a), shall be credited to the appropriation available for the support of the Civilian Marksmanship Program and shall be available to carry out such program.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each fiscal year such sums as may be necessary to pay the personnel costs and other expenses of the Civilian Marksmanship Program in such fiscal year to the extent that the amounts available out of the revenues collected under the program are insufficient to defray such costs and expenses.

"(e) DEFINITION.—In this section, the term 'Civilian Marksmanship Program' means the program carried out by the Secretary of the Army under this section and sections 4310 through 4312 of this title and includes the National Matches and small-arms firing schools referred to in section 4312 of this title.".

(2) The table of sections at the beginning of chapter 401 of such title is amended by strik-

ing out the item relating to section 4308 and inserting in lieu thereof the following:

"4308. Promotion of civilian marksmanship: authority of the Secretary of the Army.".

(b) AVAILABILITY OF RIFLE RANGES FOR ARMED FORCES AND CIVILIANS.—(1) Section 4309 of title 10, United States Code, is amended to read as follows:

"§ 4309. Rifle ranges: availability for use by members and civilians

"(a) RANGES AVAILABLE.—All rifle ranges constructed in whole or in part with funds provided by the United States may be used by members of the armed forces and by persons capable of bearing arms.

"(b) MILITARY RANGES.—(1) In the case of a rifle range referred to in subsection (a) that is located on a military installation, the Secretary concerned may establish reasonable fees for the use by civilians of that rifle range to cover the material and supply costs incurred by the armed forces to make that rifle range available to civilians.

"(2) Fees collected pursuant to paragraph (1) in connection with the use of a rifle range shall be credited to the appropriation available for the operation and maintenance of that rifle range and shall be available for the operation and maintenance of that rifle range.

"(3) Use of a rifle range referred to in paragraph (1) by civilians may not interfere with the use of the range by members of the armed forces.

"(c) REGULATIONS.—Regulations to carry out this section with respect to a rifle range shall be prescribed, subject to the approval of the Secretary concerned, by the authorities controlling the rifle range.".

(2) The table of sections at the beginning of chapter 401 of such title is amended by striking out the item relating to section 4309 and inserting in lieu thereof the following:

"4309. Rifle ranges: availability for use by members and civilians.".

(c) PAYMENT OF EXPENSES FOR NATIONAL MATCH COMPETITORS.—(1) Section 4313 of title 10, United States Code, is amended to read as follows:

"§ 4313. National matches and small-arms school: expenses

"(a) JUNIOR COMPETITORS.—(1) Junior competitors at National Matches, small-arms firing schools, and competitions in connection with National Matches and special clinics under section 4312 of this title may be paid a subsistence allowance in such amount as the Secretary of the Army shall prescribe.

"(2) A junior competitor referred to in paragraph (1) may be paid a travel allowance, in such amount as the Secretary of the Army shall prescribe, instead of travel expenses and subsistence while traveling. The travel allowance for the return trip may be paid in advance.

"(3) For the purposes of this subsection, a junior competitor is a competitor who is under 18 years of age or is a member of a gun club organized for the students of a college or university.

"(b) RESERVE COMPONENT PERSONNEL.—Appropriated funds available for the Civilian Marksmanship Program (as defined in section 4308 of this title) may be used to pay the personnel costs and travel and per diem expenses of a member of a reserve component for any active duty performed by the member in a fiscal year in support of the program after the end of that member's scheduled period of annual training for that fiscal year.".

(2) The item relating to section 4313 in the table of sections at the beginning of chapter 401 of such title is amended by striking out "rifle".

(d) EFFECTIVE DATE.—(1) This section and the amendments made by this section shall take effect on the earlier of—

(A) the date of the enactment of this Act; or

(B) October 1, 1992.

(2) If under paragraph (1) the amendments made by this section take effect before October 1, 1992, the amendments made by section 328 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1533) shall not take effect.

(3) If under paragraph (1) the amendments made by this section take effect on October 1, 1992, the amendments made by this section shall be considered executed immediately following the amendments made by section 328 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1533).

SEC. 356. PURCHASE OF ITEMS NOT EXCEEDING $100,000.

Funds appropriated pursuant to the authorization of appropriations in section 301 may be used to purchase items not exceeding $100,000 for each item.

SEC. 357. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1684) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

SEC. 358. REPEAL OF REQUIREMENT FOR COMPETITION PILOT PROGRAM FOR DEPOT-LEVEL MAINTENANCE OF MATERIALS.

Subsection (b) of section 314 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1337; 10 U.S.C. 2466 note) is repealed.

SEC. 359. OPTIONAL DEFENSE DEPENDENTS' SUMMER SCHOOL PROGRAMS.

Section 1402 of the Defense Dependents' Education Act of 1978 (title XIV of Public Law 95-561; 20 U.S.C. 921) is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of Defense may provide optional summer school programs in the defense dependents' education system.

"(2) The Secretary shall provide in regulations for fees to be charged for the students enrolling in a summer school program under this subsection in amounts determined on the basis of family income.

"(3) The amounts received by the Secretary in payment of the fees shall be available to the Department of Defense for defraying the costs of conducting summer school programs under this subsection.".

SEC. 360. REVIEW OF MILITARY FLIGHT TRAINING ACTIVITIES AT CIVILIAN AIRFIELDS.

(a) REVIEW REQUIRED.—The Secretary of Defense shall provide for a review of the practices and procedures of the military departments regarding the use of civilian airfields in flight training activities of the Armed Forces.

(b) PURPOSE.—The purpose of the review is to determine whether the practices and procedures referred to in subsection (a) should be modified to better protect the public safety while meeting training requirements of the Armed Forces.

(c) SPECIAL REQUIREMENT.—In the conduct of the review, particular consideration shall be given to the practices and procedures regarding the use of civilian airfields in heavily populated areas.

SEC. 361. SALE TO KOREA OF OBSOLETE AMMUNITION FROM WAR RESERVE STOCKS.

Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the Secretary of Defense is authorized to sell to the Republic of Korea, at a price negotiated by the Secretary, all or any part of obsolete ammunition in the inventory of the Department of Defense which is intended for use as reserve stocks for Korea and is located in a stockpile in the Republic of Korea on the date of the enactment of this Act. Obsolete ammunition sold under the authority of this section shall be sold for not less than its salvage value, minus the costs of salvage.

SEC. 362. COOPERATIVE AGREEMENTS WITH ALLIES.

(a) ACQUISITION OF LOGISTICS SUPPORT, SUPPLIES, AND SERVICES FROM ALLIES.—Section 2341 of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "in Europe and adjacent waters" and inserting in lieu thereof "outside the United States"; and

(2) in paragraph (2)—

(A) by striking out "in which elements of the armed forces are deployed (or are to be deployed)"; and

(B) by striking out "in such country or in the military region in which such country is located" and inserting in lieu thereof "outside the United States".

(b) LIMITATIONS ON AMOUNTS THAT MAY BE OBLIGATED OR ACCRUED BY THE UNITED STATES.—Section 2347 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "North Atlantic Treaty Organization" and inserting in lieu thereof "armed forces"; and

(B) by inserting "with other member countries of the North Atlantic Treaty Organization and subsidiary bodies of the North Atlantic Treaty Organization" after "(before the computation of offsetting balances)";

(2) in subsection (a)(2)—

(A) by striking out "in the military region affecting" and inserting in lieu thereof "involving the armed forces, the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with"; and

(B) by striking out "the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with such country";

(3) in subsection (b)(1)—

(A) by striking out "North Atlantic Treaty Organization" and inserting in lieu thereof "armed forces"; and

(B) by inserting "with other member countries of the North Atlantic Treaty Organization and subsidiary bodies of the North Atlantic Treaty Organization" after "(before the computation of offsetting balances)"; and

(4) in subsection (b)(2)—

(A) by striking out "in the military region affecting a country referred to in paragraph (1)" and inserting in lieu thereof "involving the armed forces"; and

(B) by striking out "from such country (before the computation of offsetting balances)" and inserting in lieu thereof "(before the computation of offsetting balances) with a country which is not a member of the North Atlantic Treaty Organization, but with which the United States has one or more acquisition or cross-servicing agreements".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act and shall apply

to acquisitions of logistics support, supplies, and services under chapter 138 of title 10, United States Code, that are initiated on or after the date of enactment of this Act.

SEC. 363. PREFERENCE FOR PROCUREMENT OF ENERGY EFFICIENT ELECTRIC EQUIPMENT.

(a) REQUIREMENT FOR PREFERENCE.—(1)(A) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410c. Preference for energy efficient electric equipment

"(a) When cost effective, in establishing a new requirement for electric equipment referred to in subsection (b) and in procuring electric equipment referred to in that subsection, the Secretary of a military department or the head of a Defense Agency, as the case may be, shall provide a preference for the procurement of the most energy efficient electric equipment available that meets the requirement or the need for the procurement, as the case may be.

"(b) Subsection (a) applies to the following electric equipment:

"(1) Electric lamps.

"(2) Electric ballasts.

"(3) Electric motors.

"(4) Electric refrigeration equipment.".

(B) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2410b the following new item:

"2410c. Preference for energy efficient electric equipment.".

(2) The amendments made by paragraph (1) shall apply to procurements for which solicitations are issued on or after the date that is 120 days after the date of the enactment of this Act.

(b) ELECTRIC LIGHTING DEMONSTRATION PROGRAM.—(1) The Secretary of Defense shall conduct a demonstration program for using energy efficient electric lighting equipment.

(2) The Secretary shall designate 50 facilities owned or leased by the Department of Defense for participation in the demonstration program under this subsection.

(3) The head of each facility designated pursuant to paragraph (2) and the Director of the Defense Logistics Agency shall jointly audit the electric lighting equipment at the facility in order—

(A) to identify any potential improvements that would increase the energy efficiency of electric lighting at that facility; and

(B) to determine the costs of, and the savings that would result from, such improvements.

(4) Except as provided in subsection (d)(4), on the basis of the results of the audit the head of the facility shall promptly convert to the use of electric lighting equipment at the facility that is more energy efficient than the existing electric lighting equipment to the extent that the conversion is cost effective.

(5) Energy efficient electric lighting equipment used under the demonstration program may include compact fluorescent lamps, energy efficient electric ballasts and fixtures, and other energy efficient electric lighting equipment.

(c) REFRIGERATION EQUIPMENT DEMONSTRATION PROGRAM.—(1) The Secretary of Defense shall conduct a demonstration program for using energy efficient refrigeration equipment.

(2) The Secretary shall designate 50 facilities owned or operated by the Department of Defense for participation in the demonstration program under this subsection.

(3) The head of each facility designated pursuant to paragraph (2) and the Director of the Defense Logistics Agency shall jointly audit the refrigeration equipment at the facility in order—

(A) to identify any potential improvements that would increase the energy efficiency of the refrigeration equipment at that facility; and

(B) to determine the costs of, and the savings that would result from, such improvements.

(4) Except as provided in subsection (d)(4), on the basis of the results of the audit the head of the facility shall promptly convert to the use of refrigeration equipment at the facility that is more energy efficient than the existing refrigeration equipment to the extent that the conversion is cost effective.

(d) GENERAL PROVISIONS FOR DEMONSTRATION PROGRAMS.—(1) The Secretary of Defense shall make the designations under subsections (b)(2) and (c)(2) not later than 180 days after the date of the enactment of this Act.

(2) The Secretary of Defense may designate a facility described in subsections (b)(2) and (c)(2) for participation in the demonstration program under subsection (b) and the demonstration program under subsection (c).

(3) The audits required by subsections (b)(3) and (c)(3) shall be completed not later than January 1, 1994.

(4) The head of a facility may not carry out a conversion described in subsection (b)(4) or (c)(4) if the conversion prevents the head of the facility from carrying out others improvements relating to energy efficiency that are more cost effective than that conversion.

SEC. 364. MADIGAN ARMY MEDICAL CENTER.

Of the funds authorized to be appropriated by title III for Operation and Maintenance, Army, $150,000 is authorized to be used for a program design and feasibility study to provide a residential program for military dependents with severe behavior disorders at Madigan Army Medical Center.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 598,900, of whom not more than 88,855 shall be commissioned officers.

(2) The Navy, 535,800, of whom not more than 67,455 shall be commissioned officers.

(3) The Marine Corps, 181,900, of whom not more than 18,440 shall be commissioned officers.

(4) The Air Force, 449,900, of whom not more than 84,970 shall be commissioned officers.

SEC. 402. WAIVER AND TRANSFER AUTHORITY.

(a) WAIVER AUTHORITY.—The Secretary of Defense may waive an end strength prescribed in section 401 for any of the Armed Forces to the extent that the Secretary considers the waiver necessary to prevent personnel imbalances that would impair the long term combat readiness of that armed force.

(b) TRANSFER AUTHORITY.—(1) Upon determination by the Secretary of Defense that such action is necessary in order to prevent involuntary separations from the Armed Forces that would otherwise be necessary solely for the purpose of reducing the size of the Armed Forces below the authorized end strengths provided in section 401, the Secretary may transfer amounts appropriated to the Department of Defense pursuant to authorizations of appropriations in this division for fiscal year 1993. Amounts so transferred shall be merged with and be available for the same purposes as the appropriations to which transferred.

(2) A transfer made from one appropriation account to another under the authority of this section shall be deemed to increase the amount authorized for the appropriation account to which transferred by the amount transferred.

(3) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

SEC. 403. AUTHORITY TO ADJUST END STRENGTHS.

Subsection (c) of section 115 of title 10, United States Code, is amended to read as follows:

"(c)(1) Subject to paragraphs (1) and (2), the strength of an armed force at the end of a fiscal year may vary from the end strength authorized for that armed force pursuant to paragraph (1) or (2) of subsection (a) for such fiscal year to the extent that the Secretary of Defense determines that the variance is in the national interest.

"(2) The strength of the active-duty personnel of an armed force at the end of a fiscal year shall be within 0.5 percent below and 0.5 percent above the end strength authorized for that armed force pursuant to subsection (a)(1) for that fiscal year.

"(3) The strength of the Selected Reserve personnel of a reserve component at the end of a fiscal year shall be within 2 percent below or 2 percent above the end strength authorized for the Selected Reserve of that reserve component pursuant to subsection (a)(2) for that fiscal year.".

SEC. 404. REPEAL OF REQUIREMENTS FOR MINIMUM NUMBERS OF MEDICAL PERSONNEL.

The following provisions of law that limit reductions in the number of medical personnel of the Department of Defense are repealed:

(1) Section 711 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 115 note).

(2) Section 718(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 115 note).

SEC. 405. LIMITED EXCLUSION OF JOINT SERVICE REQUIREMENTS FROM A LIMITATION ON THE STRENGTHS FOR GENERAL AND FLAG OFFICERS ON ACTIVE DUTY.

(a) EXCLUSION.—Section 526 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) LIMITED EXCLUSION FOR JOINT DUTY REQUIREMENTS.—(1) The Chairman of the Joint Chiefs of Staff may designate up to 8 general officer and flag officer positions within joint duty requirements for exclusion from the limitations in subsection (a) that are applicable on and after October 1, 1995. General officers and flag officers in positions so designated may not be counted for the purposes of such limitations.

"(2) This subsection shall cease to be effective on October 1, 1998."

(b) TECHNICAL AMENDMENT.—Subsection (b) of such section is amended by striking out "(b)" and inserting in lieu thereof "(b) AUTHORIZED INCREASE.—".

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, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(b) ADJUSTMENTS.—Section 115 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) The end strengths prescribed by law for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

"(A) 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 that fiscal year; and

"(B) 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 that fiscal year.

"(2) Whenever such units or such individual members are released from active duty, the end strength prescribed for the Selected Reserve of such reserve component for the fiscal year in which released shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.".

(c) TEMPORARY PROHIBITION ON ELIMINATING RESERVE COMPONENT UNITS.—(1) Except as provided in paragraph (2), no unit in the Selected Reserve of the Army, Navy, Air Force, or Marine Corps may be inactivated during fiscal year 1993.

(2) Paragraph (1) does not apply to the following:

(A) An inactivation of a unit which is the direct result of the closure or realignment of a military installation required pursuant to law.

(B) An inactivation of a reinforcing unit in the Naval Reserve that is associated directly with a decommissioned unit in the active component of the Navy.

(C) An inactivation of an aviation unit as a direct result of the phasing out of a weapon system from the active components and the reserve components by the end of fiscal year 1993.

(3) A unit of the Selected Reserve of the Army, Navy, Air Force, or Marine Corps may not be inactivated pursuant to an exception in paragraph (2) until the Secretary of Defense has submitted to the Committees on Armed Services of the Senate and House of Representatives the rationale for the proposed inactivation of that unit and the specific exception that applies.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,860.

(2) The Army Reserve, 12,862.

(3) The Naval Reserve, 22,055.

(4) The Marine Corps Reserve, 2,282.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 636.

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) ACTIVE FORCES.—For fiscal year 1993, the Armed Forces are authorized average military training loads for active forces as follows:

(1) The Army, 60,269.

(2) The Navy, 51,405.

(3) The Marine Corps, 19,016.

(4) The Air Force, 27,971.

(b) RESERVE COMPONENTS.—For fiscal year 1993, the Armed Forces are authorized average military training loads for reserve component forces as follows:

(1) The Army Reserve, 12,583.

(2) The Army National Guard, 10,529.

(3) The Naval Reserve, 1,892.

(4) The Marine Corps Reserve, 3,418.

(5) The Air Force Reserve, 1,529.

(6) The Air National Guard, 3,048.

(c) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in subtitles A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

Subtitle D—Funding Authorization

SEC. 431. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces for military personnel in the total amount of $77,316,200,000.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Reserve Component Matters

SEC. 501. REALIGNMENT OF CERTAIN ACTIVE ARMY COMBAT SUPPORT AND COMBAT SERVICE SUPPORT POSITIONS TO RESERVE COMPONENTS.

(a) FINDING.—The Congress finds that the force structure of the active component of the Army contains approximately 19,000 positions for personnel having missions to provide combat support and combat service support to inactivated Army units formerly stationed in Europe.

(b) REALIGNMENT REQUIRED.—The Secretary of Defense shall ensure that, not later than September 30, 1993, the missions referred to in subsection (a) are transferred to the reserve components of the Army.

SEC. 502. LIMITATION ON REDUCTION IN NUMBER OF RESERVE COMPONENT MEDICAL PERSONNEL.

(a) LIMITATION.—The Secretary of Defense may not reduce the number of medical personnel in the Army National Guard of the United States or the Army Reserve below the number of such personnel in those reserve components on September 30, 1992.

(b) DEFINITION.—In subsection (a), the term "medical personnel" has the meaning given that term in section 115a(g)(2) of title 10, United States Code.

SEC. 503. ONE-YEAR EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT PROGRAMS.

(a) GRADE DETERMINATION AUTHORITY FOR CERTAIN RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(b) PROMOTION AUTHORITY FOR CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of such title are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (10 U.S.C. 3360 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 30, 1992.

SEC. 504. REENLISTMENT ELIGIBILITY OF CERTAIN FORMER RESERVE OFFICERS.

(a) LIMITATION FOR THE ARMY.—Section 3258 of title 10, United States Code, is amended—

(1) by striking out the last sentence;

(2) by inserting "(a)" before "Any"; and

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

"(b) A person is not entitled to be reenlisted under subsection (a) if—

"(1) the person was discharged or released from active duty as a Reserve officer on the basis of a determination of—

"(A) misconduct;

"(B) moral or professional dereliction;

"(C) duty performance below prescribed standards for the grade held; or

"(D) retention being inconsistent with the interests of national security; or

"(2) the person's former enlisted status and grade was based solely on the participation by that person in a precommissioning program that resulted in the Reserve commission held by that person during the active duty from which the person was released or discharged.".

(b) LIMITATION FOR THE AIR FORCE.—Section 8258 of such title is amended—

(1) by striking out the last sentence;

(2) by inserting "(a)" before "Any"; and

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

"(b) A person is not entitled to be reenlisted under subsection (a) if—

"(1) the person was discharged or released from active duty as a Reserve officer on the basis of a determination of—

"(A) misconduct;

"(B) moral or professional dereliction;

"(C) duty performance below prescribed standards for the grade held; or

"(D) retention being inconsistent with the interests of national security; or

"(2) the person's former enlisted status and grade was based solely on the participation by that person in a precommissioning program that resulted in the Reserve commission held by that person during the active duty from which the person was released or discharged.".

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply to persons discharged or released from active duty as a commissioned officers in the Army Reserve or the Air Force Reserve, respectively, after the date of the enactment of this Act.

SEC. 505. STUDY OF EFFECTS OF OPERATIONS DESERT SHIELD AND DESERT STORM MOBILIZATIONS OF RESERVES AND MEMBERS OF THE NATIONAL GUARD WHO WERE SELF-EMPLOYED OR OWNERS OF SMALL BUSINESSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) The service of the members of the Armed Forces of the United States in Operations Desert Shield and Desert Storm was commendable.

(2) The Reserves and the members of the National Guard contributed to the readiness, preparedness, and combat capability of the coalition forces that participated in the liberation of Kuwait.

(3) The Reserves and the members of the National Guard ordered to active duty in connection Operations Desert Shield and Desert Storm who were self-employed or were owners of small businesses possibly suffered unique financial difficulties resulting from their absence from their businesses for such active duty service.

(b) STUDY AND REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) conduct a study regarding the economic and other effects on the Reserves and members of the National Guard referred to in subsection (a)(3) of being absent from their businesses for active duty service in connection Operations Desert Shield and Desert Storm; and

(2) submit a report on the results of the study to the Committees on Armed Services of the Senate and the House of Representatives.

(c) CONTENT OF REPORT.—The report shall include the following matters:

(1) The number of Reserves and members of the National Guard ordered to active duty in connection with Operations Desert Shield and Desert Storm who were self-employed or were owners of small businesses.

(2) A description of the businesses owned by those Reserves and members of the National Guard when such personnel were ordered to active duty.

(3) A detailed analysis of the economic effects on the businesses of such personnel resulting from the absence of such personnel for active duty service.

(4) A discussion of the factors that contributed to any financial hardship or gain for such businesses during the period of the absence of such personnel.

(5) The extent to which such personnel voluntarily separated from the Armed Forces, assumed an inactive status, or retired after being released from active duty.

(6) An analysis of the rates of such separations, change of status, and retirements.

Subtitle B—Service Academies

SEC. 511. LIMITATION ON ASSIGNMENT OF GENERAL OFFICERS.

(a) UNITED STATES MILITARY ACADEMY.—(1)(A) Chapter 403 of title 10, United States Code, is amended by inserting after section 4337 the following new section 4338:

"§ 4338. Limitations on faculty, staff, and support personnel

"(a) GENERAL OFFICERS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of more than one general officer to permanent duty at the Academy at any time or to support the assignment of any general officer in a grade above major general to permanent duty at the Academy.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4337 the following new item:

"4338. Limitations on faculty, staff, and support personnel.".

(2) Subsection (c) of section 4335 of such title is repealed.

(b) UNITED STATES AIR FORCE ACADEMY.—(1)(A) Chapter 903 of such title is amended by inserting after section 9337 the following new section 9338:

"§ 9338. Limitations on faculty, staff, and support personnel

"(a) GENERAL OFFICERS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of more than one general officer to permanent duty at the Academy at any time or to support the assignment of any general officer in a grade above major general to permanent duty at the Academy.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 9337 the following new item:

"9338. Limitations on faculty, staff, and support personnel.".

(2) Section 9334 of such title is amended—

(A) by striking out subsection (b); and

(B) in subsection (a), by striking out "(a)".

(c) EFFECTIVE DATE AND TRANSITION PROVISION.—(1) The amendments made by subsections (a) and (b) shall take effect on April 1, 1993.

(2) General officers who, on the date of the enactment of this Act, are assigned to permanent duty positions at the United States Military Academy and the United States Air Force Academy in excess of the number of such officers permitted by the amendments made by subsections (a) and (b) shall be reassigned before the effective date of such amendments.

(3) The Chairman of the Joint Chiefs of Staff may direct that one or more of the general officer positions referred to in paragraph (2) be allocated to meet unsatisfied requirements for general officer joint duty positions.

SEC. 512. ACADEMY PREPARATORY SCHOOLS.

Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a plan for implementing the recommendations contained in the report of the Comptroller General of the United States, dated March 13, 1992, regarding the preparatory schools of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

SEC. 513. COMPOSITION OF ACADEMY FACULTIES.

Not later than April 1, 1993, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and House of Representatives recommended legislation for—

(1) establishing at the United States Military Academy and the United States Air Force Academy a faculty composed of approximately equal numbers of civilian and Armed Forces personnel; and

(2) phasing out the assignment of Armed Forces personnel as permanent professors at those academies.

SEC. 514. ACADEMY BANDS.

(a) UNITED STATES MILITARY ACADEMY.—Section 4338 of title 10, United States Code (as added by section 511(a)), is amended by adding at the end the following:

"(b) ENLISTED BANDS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for permanent duty in a military band for the Academy.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Section 6969 of such title is amended to read as follows:

"§ 6969. Naval Academy Band

"(a) Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for permanent duty in the Naval Academy Band.

"(b) In determining years of service for the purpose of retirement, enlisted members of the Navy who have previously been assigned as leaders or second leaders of the Naval Academy Band shall be treated as if they had not been so assigned.".

(2) The item relating to such section in the table of sections at the beginning of chapter 603 of such title is amended to read as follows:

"6969. Naval Academy Band.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9338 of such title (as added by section 511(b)) is amended by adding at the end the following:

"(b) ENLISTED BANDS.—Funds appropriated or otherwise made available for the Department of Defense may not be used to support the assignment of any enlisted personnel for duty in a military band for the Academy.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 515. NONINSTRUCTIONAL STAFF.

(a) UNITED STATES MILITARY ACADEMY.—Section 4338 of title 10, United States Code (as added by section 511(a) and as amended by section 514(a)), is further amended by adding at the end the following:

"(c) NONINSTRUCTIONAL STAFF.—Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or cadets or in the maintenance of Academy facilities or equipment.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of such title is amended by adding at the end the following new section:

"§ 6975. Limitations on faculty, staff, and support personnel

"Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or midshipmen or in the maintenance of Academy facilities or equipment.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6974 the following new item:

"6975. Limitations on faculty, staff, and support personnel.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9338 of such title (as added by section 511(b) and as amended by section 514(c)), is further amended by adding at the end the following:

"(c) NONINSTRUCTIONAL STAFF.—Funds appropriated or otherwise made available for pay of armed forces personnel may not be used to pay armed forces personnel in noninstructional positions at the Academy who are not certified by the Inspector General of the Department of Defense as being directly involved in the administration of the faculty or cadets or in the maintenance of Academy facilities or equipment.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 516. MAJOR TRAINING COMMAND JURISDICTION.

(a) UNITED STATES MILITARY ACADEMY.—Section 4331(a) of title 10, United States Code, is amended by adding at the end the following: "The Academy is under the supervision and control of the commander of the

major Army command having jurisdiction over Army officer training programs.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Section 6951 of such title is amended by adding at the end the following: "The Academy is under the supervision and control of the major Navy command having jurisdiction over Navy officer training programs.".

(2)(A) The heading of such section is amended to read as follows:

"§ 6951. Location and administration".

(B) The item relating to that section in the table of sections at the beginning of chapter 603 of title 10, United States Code, is amended to read as follows:

"6951. Location and administration.".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9331(a) of such title is amended by adding at the end the following: "The Academy is under the supervision and control of the commander of the major Air Force command having jurisdiction over Air Force officer training programs.".

Subtitle C—Officer Personnel Policy

SEC. 521. OFFICER PERSONNEL MANAGEMENT PLANS.

(a) REPORT ON PLANNED OFFICER ACCESSIONS.—(1) Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plans of the military departments for the procurement of officer personnel during each of fiscal years 1993 through 1997.

(2) The report shall contain for each fiscal year for each military department the following:

(A) For each program of officer training resulting in a commission, the number of persons to be commissioned.

(B) Of the persons to be commissioned under the Reserve Officer Training Corps program, the number of persons receiving scholarships under that program and the number of persons not receiving scholarships under the program.

(C) Of the number of persons to be commissioned—

(i) the number necessary to meet immediate needs for active component personnel;

(ii) the number necessary to meet immediate needs for personnel for the Selected Reserve of the Ready Reserve of the reserve components; and

(iii) the number that will be assigned directly into the Individual Ready Reserve of the reserve components.

(b) REPORT ON PLANNED OFFICER ASSIGNMENTS.—Not later than April 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the types of assignments that the military departments plan for the commissioned officers who commence active duty for their initial period of obligated active duty service during each of fiscal years 1993 through 1997 after being commissioned upon completion of an officer training program, stated by officer training program. The report shall contain an analysis of the number of officers that are to be assigned for skills training and the number of officers that are to be assigned directly to occupational positions.

SEC. 522. EVALUATION OF EFFECTS OF OFFICER STRENGTH REDUCTIONS ON OFFICER PERSONNEL MANAGEMENT SYSTEMS.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall provide for a federally funded research and development center that is independent of the military departments to review the officer personnel management system of each of the military departments and to determine and evaluate the effects of the post-Cold War officer strength reductions on that officer personnel management system.

(b) MATTERS TO BE CONSIDERED.—The review and evaluation shall include, for the officer personnel management system of each military department, the effects of the officer strength reductions on the following:

(1) The timing and opportunities for officer promotions.

(2) The expected lengths of officer careers.

(3) Other features of the officer personnel management system under the Defense Officer Personnel Management Act (Public Law 96-513; 94 Stat. 2835) and the provisions of law added and amended by that Act.

(4) Any other aspects of the officer personnel management system that the federally funded research and development center personnel conducting the review and evaluation consider appropriate or as directed by the Secretary of Defense.

(c) REPORT.—Not later than December 31, 1993, the federally funded research and development center shall submit to the Secretary of Defense a report on the results of the review and evaluation. Within 60 days after receiving the report, the Secretary shall transmit the report to the congressional defense committees. The Secretary may submit to such committees any comments that the Secretary considers appropriate regarding the matters contained in the report.

(d) FUNDING.—Funds appropriated for fiscal year 1993 pursuant to title II and made available for federally funded research and development centers shall be available for the conduct of the review and evaluation under this section.

SEC. 523. TEST ASSIGNMENT OF FEMALE MEMBERS TO COMBAT AIRCRAFT POSITIONS.

Section 550 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (105 Stat. 1370; 10 U.S.C. 113 note) is amended—

(1) by redesignating subsection (b) as subsection (c);

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

"(b) ASSIGNMENTS TO COMBAT AIRCRAFT.—The Secretary of Defense shall require the conduct of test assignments of female members of each armed force to duty in combat aircraft of that armed force."; and

(3) in subsection (c), as redesignated by paragraph (1), by inserting "and pursuant to subsection (b)" after "subsection (a)".

SEC. 524. SELECTIVE EARLY RETIREMENT.

Section 638a(c) of title 10, United States Code, is amended by adding at the end the following:

"(3) In the case of an action under subsection (b)(2), the Secretary of the military department concerned may submit to a selection board convened pursuant to that subsection—

"(A) the names of all eligible officers described in that subsection in a particular grade and competitive category; or

"(B) the names of all eligible officers described in that subsection in a particular grade and competitive category who are also in particular year groups, specialties, or retirement categories, or any combination thereof, within that competitive category.".

SEC. 525. RETIREMENT OF CERTAIN LIMITED DUTY OFFICERS OF THE NAVY.

(a) REGULAR NAVY COMMANDERS.—Section 633 of title 10, United States Code, is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, the preceding sentence shall not apply to an officer of the Navy designated for limited duty to whom section 6383 of this title applies.".

(b) REGULAR NAVY CAPTAINS.—Section 634 of title 10, United States Code, is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, the preceding sentence shall not apply to an officer of the Regular Navy designated for limited duty to whom section 6383(a)(4) of this title applies.".

(c) MAXIMUM TENURE.—Subsection (a) of section 6383 of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

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

"(2) Except as provided in subsection (i), each regular officer of the Navy designated for limited duty who is serving in the grade of commander, has failed of selection for promotion to the grade of captain for the second time, and is not on a list of officers recommended for promotion to the grade of captain shall—

"(A) if eligible for retirement as a commissioned officer under any provision of law, be retired under that provision law on the date requested by the officer and approved by the Secretary of the Navy, except that the date of retirement may not be later than the first day of the seventh month beginning after the month in which the President approves the report of the selection board in which the officer is considered as having failed for promotion to the grade of captain for a second time; or

"(B) if not eligible for retirement as a commissioned officer, be retired on the date requested by the officer and approved by the Secretary of the Navy after the officer becomes eligible for retirement as a commissioned officer, except that the date of retirement may not be later than the first day of the seventh calendar month beginning after the month in which the officer becomes eligible for retirement as a commissioned officer.

"(3) Except as provided in subsection (i), if not retired earlier, a regular officer of the Navy designated for limited duty who is serving in the grade of commander and is not on a list of officers recommended for promotion to the grade of captain shall be retired on the last day of the month following the month in which the officer completes 35 years of active naval service, exclusive of active duty for training in a reserve component.

"(4) Except as provided in subsection (i), each regular officer of the Navy designated for limited duty who is serving in the grade of captain shall, if not retired sooner, be retired on the last day of the month following the month in which the officer completes 38 years of active naval service, exclusive of active duty for training in a reserve component.

"(5) Paragraphs (2) through (4) shall be effective only during the period beginning on July 1, 1993, and ending on October 1, 1995.".

(d) LIMITATION ON DEFERRED RETIREMENT.—Subsection (i) of section 6383 of such title is amended by adding at the end the following: "During the period beginning on July 1, 1993, and ending on October 1, 1995, an officer of the Navy in the grade of commander or captain whose retirement is deferred under this subsection and who is not subsequently promoted may not be continued on active duty beyond age 62 or, if earlier, 28 years of active commissioned service if in the grade of commander or 30 years of active commissioned service if in the grade of captain.".

Subtitle D—Active Forces Transition Enhancements

SEC. 531. ENCOURAGEMENT FOR CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PERMANENT PROGRAM.—(1) Chapter 58 of title 10, United States Code, is amended by inserting after section 1143 the following new section:

"§ 1143a. Encouragement of postseparation public and community service: Department of Defense

"(a) IN GENERAL.—The Secretary of Defense shall implement a program to encourage members and former members of the armed forces to enter into public and community service jobs after discharge or release from active duty.

"(b) PERSONNEL REGISTRY.—The Secretary shall maintain a registry of members and former members of the armed forces discharged or released from active duty who request registration for assistance in pursuing public and community service job opportunities. The registry shall include information on the particular job skills, qualifications, and experience of the registered personnel.

"(c) REGISTRY OF PUBLIC SERVICE AND COMMUNITY SERVICE ORGANIZATIONS.—The Secretary shall also maintain a registry of public service and community service organizations. The registry shall contain information regarding each organization, including its location, its size, the types of public and community service positions in the organization, points of contact, procedures for applying for such positions, and a description of each such position that is likely to be available. Any such organization may request registration under this subsection and, subject to guidelines prescribed by the Secretary, be registered.

"(d) ASSISTANCE TO BE PROVIDED.—(1) The Secretary shall actively attempt to match personnel registered under subsection (b) with public and community service job opportunities and to facilitate job-seeking contacts between such personnel and the employers offering the jobs.

"(2) The Secretary shall offer personnel registered under subsection (b) counseling services regarding—

"(A) public service and community service organizations; and

"(B) procedures and techniques for qualifying for and applying for jobs in such organizations.

"(3) The Secretary may provide personnel registered under subsection (b) with access to the interstate job bank program of the United States Employment Service if the Secretary determines that such program meets the needs of separating members of the armed forces for job placement.

"(e) CONSULTATION REQUIREMENT.—In carrying out this section, the Secretary shall consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector.

"(f) DELEGATION.—The Secretary, with the concurrence of the Secretary of Labor, may designate the Secretary of Labor as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in this section. Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of the provisions of this section.

"(g) DEFINITIONS.—In this section, the term 'public service and community service organization' includes the following organizations:

"(1) Any organization that provides the following services:

"(A) Elementary, secondary, or postsecondary school teaching or administration.

"(B) Support of such teaching or school administration.

"(C) Law enforcement.

"(D) Public health care.

"(E) Social services.

"(F) Any other public or community service.

"(2) Any nonprofit organization that coordinates the provision of services described in paragraph (1).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1143 the following new item:

"1143a. Encouragement of postseparation public and community service: Department of Defense.".

(b) DEPARTMENT OF VETERANS AFFAIRS RESPONSIBILITIES.—Section 1142(b)(4) of title 10, United States Code, is amended by inserting before the period at the end the following: ", including the public and community service jobs program carried out under section 1143a of this title".

(c) PRESEPARATION ASSISTANCE BY THE DEPARTMENT OF LABOR.—Section 1144(b) of such title is amended by adding at the end the following new paragraph:

"(8) Provide information regarding the public and community service jobs program carried out under section 1143a of this title.".

SEC. 532. TEACHER CERTIFICATION CREDIT FOR MILITARY EXPERIENCE.

(a) UNIFORM STATE STANDARDS AND PROCEDURES.—(1) The Secretary of Defense shall—

(A) develop proposed uniform standards and procedures for the granting of appropriate credit for service in the Armed Forces under State teacher certification or licensing procedures; and

(B) coordinate with appropriate agencies of each State to encourage the incorporation of such uniform standards and procedures into the State's teacher certification or licensing requirements.

(2) The uniform standards should reflect the value to the teaching profession of relevant skills and experience derived from service in the Armed Forces.

(b) DELEGATION TO THE SECRETARY OF EDUCATION.—The Secretary, with the concurrence of the Secretary of Education, may designate the Secretary of Education as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in subsection (a). Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of such subsection.

SEC. 533. PROGRAM OF EDUCATIONAL LEAVE RELATING TO CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PROGRAM.—Under regulations prescribed by the Secretary of Defense after consultation with the Secretary of Transportation and subject to subsections (b) and (c), the Secretary concerned may grant to an eligible member of the Armed Forces a leave of absence for a period not to exceed one year for the purpose of permitting the member to pursue a program of education or training (including an internship) for the development of skills that are relevant to the performance of public and community service. A program of education or training referred to in the preceding sentence includes any such program that is offered by the Department of Defense or by any civilian educational or training institution.

(b) ELIGIBILITY REQUIREMENT.—(1) A member may not be granted a leave of absence under this section unless the member agrees in writing—

(A) diligently to pursue employment in public service and community service organizations upon the separation of the member from active duty in the Armed Forces; and

(B) to serve in the Ready Reserve of an armed force, upon such separation, for a period of 4 months for each month of the period of the leave of absence.

(2)(A) A member may not be granted a leave of absence under this section until the member has completed any period of extension of enlistment or reenlistment, or any period of obligated active duty service, that the member has incurred under section 708 of title 10, United States Code.

(B) The Secretary concerned may waive the limitation in subparagraph (A) for a member who enters into an agreement with the Secretary for the member to serve in the Ready Reserve of a reserve component for a period equal to the uncompleted portion of the member's period of service referred to in that subparagraph. Any such period of agreed service in the Ready Reserve shall be in addition to any other period that the member is obligated to serve in a reserve component.

(c) TREATMENT OF LEAVE OF ABSENCE.—A leave of absence under this section shall be subject to the provisions of subsections (c) and (d) of section 708 of title 10, United States Code.

(d) EXCLUSION FROM END STRENGTH LIMITATION.—A member of the Armed Forces, while on leave granted pursuant to this section, may not be counted for purposes of any provision of law that limits the active duty strength of the member's armed force.

(e) DEFINITIONS.—In this section:

(1) The term "Secretary concerned" has the meaning given such term in section 101 of title 10, United States Code.

(2) The term "eligible member of the Armed Forces" means a member of the Armed Forces who is eligible for an educational leave of absence under section 708(e) of such title.

(3) The term "public service and community service organization" has the meaning given such term in section 1143a of such title (as added by section 531(a)).

(f) EXPIRATION.—The authority to grant a leave of absence under subsection (a) shall expire on September 30, 1995.

SEC. 534. TEMPORARY EARLY RETIREMENT AUTHORITY.

(a) RETIREMENT FOR 15 TO 20 YEARS OF SERVICE.—(1) The Secretary of the Army may, upon the member's request, retire a member of the Army who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 3926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 3925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(2) The Secretary of the Navy may, upon the member's request, retire a member of the Navy or Marine Corps who has the following years of active service:

(A) In the case of a commissioned officer or enlisted member, between 15 and 20 years.

(B) In the case of a warrant officer, between 15 and 20 years computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(3) The Secretary of the Air Force may, upon the member's request, retire a member of the Air Force who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 8926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 8925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(b) ADDITIONAL ELIGIBILITY REQUIREMENT.—In order to be eligible for retirement under subsection (a), a member of the Armed Forces shall register on the registry maintained under section 1143a(b) of title 10, United States Code (as added by section 531(a)) and receive counseling regarding public and community service job opportunities from the Secretary of Defense or another source approved by the Secretary.

(c) COMPUTATION OF RETIRED PAY.—A member or former member of the Armed Forces retired under subsection (a) shall be entitled to retired pay computed under the provisions of chapter 71, 371, 571, or 871 of title 10, United States Code, that would be applicable to such member or former member if—

(1) the member or former member had been retired under section 1293 (in the case of a retired warrant officer), 3911 (in the case of a retired commissioned Army officer), 3914 (in the case of a retired enlisted member of the Army), 6323 (in the case of a retired commissioned officer of the Navy), 8911 (in the case of a retired commissioned Air Force officer), or 8914 (in the case of a retired enlisted member of the Air Force) of such title upon completion of 20 years of service creditable for purposes of eligibility for retirement; or

(2) in the case of a retired enlisted member of the Regular Navy or Regular Marine Corps, the retired enlisted member had been retired under section 6326 of such title upon completion of 30 years of active service in the Armed Forces creditable for purposes of eligibility for retirement.

(d) FUNDING.—(1) Notwithstanding section 1463 of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary of each military department shall provide in accordance with this section for the payment of retired or retainer pay payable during the fiscal years covered by the other provisions of this subsection to members of the armed force under the jurisdiction of that Secretary who are being retired under the authority of this section.

(2) In each fiscal year in which the Secretary of a military department retires a member of the Armed Forces under the authority of this section, the Secretary shall credit to a subaccount (which the Secretary shall establish) within the appropriation account for that fiscal year for pay and allowances of active duty members of the armed force under the jurisdiction of that Secretary such amount as is necessary to pay the retired or retainer pay payable to such member for the entire initial period (determined under paragraph (3)) of the entitlement of that member to receive retired or retainer pay.

(3) The initial period applicable under paragraph (2) in the case of a retired member referred to in that paragraph is the number of years (and any fraction of a year) that is equal to the difference between 20 years and the number of years (and any fraction of a year) of service that were completed by the member (as computed under the provision of law referred to in subsection (a) that is applicable to that member) before being retired under this section.

(4) The Secretary shall pay the member's retired or retainer pay for such initial period out of amounts credited to the subaccount under paragraph (2). The amounts so credited with respect to that member shall remain available for payment for that period.

(e) COORDINATION OF BENEFITS.—A member of the Armed Forces retired under this section is not entitled to benefits under section 1174, 1174a, or 1175 of title 10, United States Code.

(f) TERMINATION OF AUTHORITY.—The authority under subsection (a) shall terminate on October 1, 1995.

SEC. 535. INCREASED EARLY RETIREMENT RETIRED PAY FOR PUBLIC OR COMMUNITY SERVICE.

(a) RECOMPUTATION OF RETIRED PAY.—(1) If a member or former member of the Armed Forces retired under section 534(a) or any other provision of law authorizing retirement from the Armed Forces (other than for disability) before the completion of at least 20 years of active duty service (as computed under the applicable provision of law) is employed by a public service or community service organization listed on the registry maintained under section 1143a(c) of title 10, United States Code (as added by section 531(a)), within the period of the member's enhanced retirement qualification period, the member's or former member's retired or retainer pay shall be recomputed effective on the first day of the first month beginning after the date on which the member or former member attains 62 years of age.

(2) For purposes of recomputing a member's or former member's retired pay—

(A) the years of the member's or former member's employment by a public service or community service organization referred to in paragraph (1) during the member's or former member's enhanced retirement qualification period shall be treated as years of active duty service in the Armed Forces; and

(B) in applying section 1401a of title 10, United States Code, the member's or former member's years of active duty service shall be deemed as of the date of retirement to have included the years of employment referred to in subparagraph (A).

(3) Section 1405(b) of title 10, United States Code, shall apply in determining years of service under this subsection.

(4) In this subsection, the term "enhanced retirement qualification period", with respect to a member or former member retired under a provision of law referred to in paragraph (1), means the period beginning on the date of the retirement of the member or former member and ending the number of years (including any fraction of a year) after that date which when added to the number of years (including any fraction of a year) of service credited for purposes of computing the retired pay of the member or former member upon retirement equals 20 years.

(b) SBP ANNUITIES.—(1) Effective on the first day of the first month after a member or former member of the Armed Forces retired under a provision of law referred to in subsection (a)(1) attains 62 years of age or, in the event of death before attaining that age, would have attained that age, the base amount applicable under section 1447(2) of title 10, United States Code, to any Survivor Benefit Plan annuity provided by that member or former member shall be recomputed. For the recomputation the total years (including any fraction of a year) of the member's or former member's active service shall be treated as having included the member's or former member's years (including any fraction of a year) of employment referred to in subsection (a)(1) as of the date when the member or former member became eligible for retired pay under this section.

(2) In this subsection, the term "Survivor Benefit Plan" means the plan established under subchapter II of chapter 73 of title 10, United States Code.

SEC. 536. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PERSONNEL TO ENROLL IN MONTGOMERY GI BILL PROGRAM WHILE BEING VOLUNTARILY SEPARATED FROM SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by inserting after section 3018A the following new section:

"§ 3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is voluntarily discharged from the Armed Forces with an honorable discharge, or voluntarily released from active duty under honorable conditions (as characterized by the Secretary concerned), pursuant to a request for separation approved under section 1174a or 1175 of title 10,

"(2) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree,

"(3) in the case of any individual who has made an election under section 3011(c)(1) of this title, withdraws such election pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section,

"(4) in the case of any person enrolled in the educational benefits program provided by chapter 32 of this title makes an irrevocable election, pursuant to procedures referred to in paragraph (3) of this subsection, to receive benefits under this section in lieu of benefits under such chapter 32, and

"(5) elects to receive assistance under this section pursuant to regulations referred to in paragraph (3) of this subsection,

is entitled to basic educational assistance under this chapter.

"(b) An election or withdrawal of election permitted under subsection (a) of this section is not effective unless—

"(1) in the case of an individual separated from active duty more than 90 days after the date of the enactment of this section, the individual makes the election or withdrawal before the separation;

"(2) in the case of an individual separated from active duty on or after the date of the enactment of this section and within 90 days after that date, the individual makes the election or withdrawal within 90 days after the separation; and

"(3) in the case of an individual separated from active duty before the date of the enactment of this section, the individual makes the election or withdrawal within 90 days after such date.

"(c)(1) An individual described in subsection (a) of this section who makes a with-

drawal referred to in subsection (a)(3) of this section shall pay $1,200 to the Secretary of Veterans Affairs. In the case of an individual who makes the withdrawal of election before being separated, any portion of the obligation to pay $1,200 may be discharged by reduction of that individual's basic pay.

"(2) Amounts received by the Secretary pursuant to paragraph (1) shall be credited to the appropriation available for the fiscal year in which received for the Department of Veterans Affairs for the payment of readjustment benefits.

"(d) A withdrawal of election referred to in subsection (a)(3) of this section is irrevocable.

"(e)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(4) of this subsection shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) as provided in section 3223(b) of this title, to the individual the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to section 3222(c) of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such Account to make payments of benefits to such individual under section 3015(e) of this title.".

(2) The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 3018A the following new item:

"3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service.".

(b) CONFORMING AMENDMENTS.—(1) Section 3013(d) of such title is amended by inserting "or 3018B" after "section 3018A".

(2) Section 3015(e) of such title is amended by inserting "or 3018B" after "section 3018A".

(3) Section 3035(b)(3) of such title is amended—

(A) in the matter above subparagraph (A), by inserting "or 3018B" after "section 3018A"; and

(B) in subparagraph (B), by inserting "or 3018B(a)(3)" after "section 3018A(a)(3)".

SEC. 537. ELIMINATION OF RECOUPMENT REQUIREMENT FOR RESERVE DUTY.

Paragraph (2) of section 1175(e) of title 10, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), a member entitled to voluntary separation incentive payments who is also entitled to basic pay for active service shall forfeit an amount of voluntary separation incentive payable for the same period that is equal to the total amount of basic pay received.

"(B) Subparagraph (A) does not apply with respect to—

"(i) annual training; or

"(ii) active duty for training that is not active duty for a period of more than 30 days.".

SEC. 538. AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN EMPLOYMENT, JOB TRAINING, AND OTHER ASSISTANCE.

Section 1144(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "$4,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$11,000,000 for fiscal year 1993 and $8,000,000 for each of fiscal years 1994 and 1995."; and

(2) in paragraph (2), by striking out "$1,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$6,500,000 for each of fiscal years 1993, 1994, and 1995.".

SEC. 539. CONTINUED HEALTH COVERAGE FOR MEMBERS AND DEPENDENTS UPON THE SEPARATION OF THE MEMBERS FROM ACTIVE DUTY AND FOR EMANCIPATED CHILDREN OF MEMBERS.

(a) MEMBERS AND EMANCIPATED CHILDREN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1078 the following new section:

"§1078a. Continued health benefits coverage

"(a) PROVISION OF CONTINUED HEALTH COVERAGE.—The Secretary of Defense and the Director of the Office of Personnel Management shall jointly carry out a program in accordance with this section to provide persons described in subsection (b) with temporary health benefits under the program of continued health benefits coverage provided for former civilian employee of the Federal Government and other persons under section 8905a of title 5.

"(b) ELIGIBLE PERSONS.—The persons referred to in subsection (a) are the following:

"(1) A member of the armed forces who—

"(A) is discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily, under other than adverse conditions, as characterized by the Secretary concerned;

"(B) immediately preceding that discharge or release, is entitled to medical and dental care under section 1074(a) of this title (except in the case of a member discharged or released from full-time National Guard duty); and

"(C) after that discharge or release and any period of transitional health care provided under section 1145(a) of this title, would not otherwise be eligible for any benefits under this chapter.

"(2) A person who—

"(A) ceases to meet the requirements for being considered an unmarried dependent child of a member or former member of the armed forces under section 1072(2)(D) of this title;

"(B) on the day before ceasing to meet those requirements, was covered under a health benefits plan under this chapter or transitional health care under section 1145(a) of this title as a dependent of the member or former member; and

"(C) would not otherwise be eligible for any benefits under this chapter.

"(c) NOTIFICATION OF ELIGIBILITY.—(1) The Director, in consultation with the Secretary of Defense, shall prescribe regulations to provide for persons described in subsection (b) to be notified of eligibility to receive health benefits under this section.

"(2) In the case of a member who becomes (or will become) eligible for continued coverage under subsection (b)(1), the regulations shall provide for the Secretary concerned to notify the member of the member's rights under this section as part of preseparation counseling conducted under section 1142 of this title or any other provision of other law.

"(3) In the case of a child of a member who becomes eligible for continued coverage under subsection (b)(2), the regulations shall provide that—

"(A) the member may submit to the Secretary concerned a written notice of the child's change in status (including the child's name, address, and such other information as the Director may require); and

"(B) the Secretary concerned shall, within 14 days after receiving that notice, inform the child of the child's rights under this section.

"(d) ELECTION OF COVERAGE.—In order to obtain continued coverage under this section, an appropriate written election (submitted in such manner as the Director may prescribe) shall be made as follows:

"(1) In the case of a member described in subsection (b)(1), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date of the discharge or release of the member from active duty;

"(B) the date on which the period of transitional health care applicable to the member under section 1145(a) of this title ends; or

"(C) the date the member receives the notification required pursuant to subsection (c).

"(2) In the case of a person described in subsection (b)(2), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title, or

"(B) the date the person receives the notification pursuant to subsection (c),

except that if the Secretary concerned determines that the person's parent has failed to provide the notice referred to in subsection (c)(3)(A) with respect to the person in a timely fashion, the 60-day period under this paragraph shall be based only on the date under subparagraph (A).

"(e) COVERAGE OF DEPENDENTS.—A person eligible under subsection (b)(1) to elect to receive coverage may elect coverage either as an individual or, if appropriate, for self and dependents. A person eligible under subsection (b)(2) may elect only individual coverage.

"(f) CHARGES.—(1) Under arrangements satisfactory to the Director, a person receiving continued coverage under this section shall be required to pay into the Employees Health Benefits Fund established under section 8909 of title 5 an amount equal to the sum of—

"(A) the amount determined under section 8905a(d)(1)(A)(i) of title 5;

"(B) an amount, not in excess of 10 percent of the amount referred to in subparagraph (A), that is necessary for administrative expenses, as determined under regulations prescribed by the Director; and

"(C) such additional amount determined by the Director to be necessary to ensure that outlays from the Fund as a result of the program established under this section do not exceed amounts paid under this paragraph.

"(2) If a person elects to continue coverage under this section before the end of the applicable period under subsection (d), but after the person's coverage under this chapter (including any transitional extensions of coverage) expires, coverage shall be restored retroactively, with appropriate contributions (determined in accordance with paragraph (1)) and claims (if any), to the same ex-

tent and effect as though no break in coverage had occurred.

"(g) CONTRIBUTION.—Subject to the availability of appropriations for the purpose of this section, if the basis for continued coverage under this section for a member of the armed forces under subsection (b)(1) is involuntary separation approved under section 1174a or 1175 of this title, contributions shall be made in accordance with subsection (f)(1), except that—

"(1) the amount to be paid by the member shall be equal to the employee contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(2) the Secretary of Defense shall pay into the Employees Health Benefits Fund, under arrangements satisfactory to the Director of the Office of Personnel Management, an amount equal to—

"(A) the agency contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(B) the amount described in subsection (f)(1)(B).

"(h) PERIOD OF CONTINUED COVERAGE.—(1) Continued coverage under this section may not extend beyond—

"(A) in the case of a member described in subsection (b)(1), the date which is 18 months after the date the member ceases to be entitled to care under section 1074(a) of this title and any transitional care under section 1145 of this title, as the case may be; and

"(B) in the case of a person described in subsection (b)(2), the date which is 36 months after the date on which the individual first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title.

"(2) Notwithstanding paragraph (1)(B), if a person ceases to meet the requirements for being considered an unmarried dependent child of a member described in subsection (b)(1) during a period of continued coverage of that member for self and dependents under this section, extended coverage of that person under this section may not extend beyond the date which is 36 months after the date the member became ineligible for medical and dental care under section 1074(a) of this title and any transitional health care under section 1145(a) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1078 the following new item:

"1078a. Continued health benefits coverage.".

(b) TRANSITIONAL PROVISIONS.—The Director of the Office of Personnel Management shall provide a period for the enrollment for health benefits coverage under this section by members and former members of the Armed Services for whom the availability of transitional health care under section 1145(a) of title 10, United States Code, expires before section 1078a of such title, as added by subsection (a), is implemented.

(c) TERMINATION OF APPLICABILITY OF OTHER CONVERSION HEALTH POLICIES.—(1) No person may purchase a conversion health policy under section or 1145(b) of title 10, United States Code, on or after the date on which the Director of the Office of Personnel Management announces that section 1078a of such title is implemented. A person covered by such a conversion health policy on that date may cancel that policy and enroll in a health benefits plan under section 1078a of such title.

(2) No person may be covered concurrently by a conversion health policy under such section 1145(b) of title 10, United States Code, and a health benefits plan under section 1078a of such title.

(d) EFFECTIVE DATE.—Section 1078a of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1992.

Subtitle E—Guard and Reserve Transition Initiatives

SEC. 541. FORCE REDUCTION TRANSITION PERIOD DEFINED.

In this subtitle, the term "force reduction transition period" means the period beginning on October 1, 1991, and ending on September 30, 1995.

SEC. 542. MEMBER OF SELECTED RESERVE DEFINED.

In this subtitle, the term "member of the Selected Reserve" means—

(1) a member of a unit in the Selected Reserve of the Ready Reserve; and

(2) a Reserve designated pursuant to section 268(b) of title 10, United States Code.

SEC. 543. RESTRICTION ON RESERVE FORCE REDUCTION.

(a) IN GENERAL.—During the force reduction transition period, no unit in the Selected Reserve of the Ready Reserve of the Armed Forces may be inactivated and no member of the Selected Reserve may be involuntarily discharged from a reserve component of the Armed Forces or involuntarily transferred from the Selected Reserve before the Secretary of Defense has promulgated, implemented, and transmitted to the Committees on Armed Services of the Senate and House of Representatives regulations that govern the treatment of members of the Selected Reserve assigned to such units and members of the Selected Reserve that are being subjected to such actions.

(b) SAVINGS PROVISION.—Subsection (a) shall not apply to actions completed before the date of the enactment of this Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the prohibition in section 411(c).

SEC. 544. TRANSITION PLAN REQUIREMENTS.

(a) PURPOSE OF PLAN.—The purpose of the regulations referred to in section 543 shall be to ensure that the members of the Selected Reserve are treated with fairness, with respect for their service to their country, and with attention to the adverse personal consequences of Selected Reserve unit inactivations, involuntary discharges of such members from the reserve components of the Armed Forces, and involuntary transfers of such members from the Selected Reserve.

(b) SCOPE OF PLAN.—The regulations shall include—

(1) such provisions as are necessary to implement the provisions of this subtitle and the amendments made by this subtitle; and

(2) such other policies and procedures for the recruitment of personnel for service in the Selected Reserve of the Ready Reserve, and for the reassignment, retraining, separation, and retirement of members of the Selected Reserve, as are appropriate for satisfying the needs of the Selected Reserve together with the purpose set out in subsection (a).

(c) MINIMUM REQUIREMENTS FOR PLAN.—The regulations shall include the following:

(1) The giving of a priority to personnel referred to in section 543(a) for reassignment to Selected Reserve units not being inactivated.

(2) The giving of a priority to such personnel for transfer among the reserve components of the Armed Forces in order to facilitate reassignment to such units.

(3) A requirement that the Secretaries of the military departments take diligent actions to ensure that members of the reserve components of the Armed Forces are informed in easily understandable terms of the rights and benefits conferred upon such personnel by this subtitle, by the amendments made by this subtitle, and by such regulations.

(4) Such other protections, preferences, and benefits as the Secretary of Defense considers appropriate.

(d) UNIFORM APPLICABILITY.—The regulations shall apply uniformly to the Army, Navy, Air Force, and Marine Corps.

SEC. 545. INAPPLICABILITY TO CERTAIN DISCHARGES AND TRANSFERS.

The protections, preferences, and benefits provided for in regulations prescribed in accordance with this subtitle do not apply with respect to a member of the Selected Reserve who is discharged from a reserve component of the Armed Forces or is transferred from the Selected Reserve to another category of the Ready Reserve, to the Standby Reserve, or to the Retired Reserve—

(1) at the request of the member unless such request was made and approved under a provision of this subtitle or section 1331a of title 10, United States Code (as added by section 547);

(2) because the member no longer meets the qualifications for membership in the Selected Reserve set forth in any provision of law as in effect on the day before the date of the enactment of this Act;

(3) under adverse conditions, as characterized by the Secretary of the military department concerned; or

(4) if the member—

(A) is immediately eligible for retired pay based on military service under any provision of law;

(B) is serving as a military technician, as defined in section 8401(30) of title 5, United States Code, and would be immediately eligible for an unreduced annuity under the provisions of subchapter III of chapter 83 of such title, relating to the Civil Service Retirement and Disability System, or the provisions of chapter 84 of such title, relating to the Federal Employees' Retirement System; or

(C) is eligible for separation pay under section 1174 of title 10, United States Code.

SEC. 546. FORCE REDUCTION PERIOD RETIREMENTS.

(a) TEMPORARY SPECIAL AUTHORITY.—During the period referred to in subsection (b), the Secretary concerned may grant a member of the Selected Reserve under the age of 60 years the annual payments provided for under this section if—

(1) as of October 1, 1991, that member has completed at least 20 years of service computed under section 1332 of title 10, United States Code, or after that date and before October 1, 1995, such member completes 20 years of service computed under that section;

(2) the member satisfies the requirements of paragraphs (3) and (4) of section 1331(a) of title 10, United States Code; and

(3) the member applies for transfer to the Retired Reserve—

(A) in the case of a member who has not received the notice required by section 1331(d) of that title before the date of the enactment of this Act, within one year after receiving such notice; and

(B) in the case of a member who received such a notice before the date of the enactment of this Act, within one year after that date.

(b) PERIOD OF APPLICABILITY.—The period referred to in subsection (a) is, with respect to a member of the Selected Reserve, the

force reduction transition period, the period provided under paragraph (3) of that subsection for the member to submit an application, and the period necessary for taking action on that application.

(c) ANNUAL PAYMENT PERIOD.—An annual payment granted to a member under this section shall be paid for 5 years, except that if the member attains 60 years of age during the 5-year period the entitlement to the annual payment shall terminate on the member's 60th birthday.

(d) COMPUTATION OF ANNUAL PAYMENT.—(1) The annual payment for a member shall be equal to the amount determined by multiplying the product of 12 and the applicable percent under paragraph (2) by the monthly basic pay to which the member would be entitled if the member were serving on active duty as of the date the member is transferred to the Retired Reserve.

(2)(A) Subject to subparagraph (B) the percent applicable to a member for purposes of paragraph (1) is 5 percent plus 0.5 percent for each full year of service, computed under section 1332 of title 10, United States Code, that a member has completed in excess of 20 years before transfer to the Retired Reserve.

(B) The maximum percent applicable under this paragraph is 10 percent.

(e) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary concerned may limit the applicability of this section to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(f) NONDUPLICATION OF BENEFITS.—A member transferred to the Retired Reserve under the authority of section 1331a of title 10, United States Code (as added by section 547), may not be paid annual payments under this section.

(g) FUNDING.—To the extent provided in appropriations Acts, payments under this section in a fiscal year shall be made out of amounts available to the Department of Defense for that fiscal year for the pay of reserve component personnel.

(h) HEALTH CARE BENEFITS.—A member of the Retired Reserve receiving annual payments under this section shall be treated as a member of the uniformed services entitled to retired or retainer pay for the purposes of the provisions of chapter 55 of title 10, United States Code.

SEC. 547. RETIREMENT WITH 15 YEARS OF SERVICE.

(a) AUTHORITY.—Chapter 67 of title 10, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Temporary special retirement qualification authority

"(a) RETIREMENT WITH AT LEAST 15 YEARS OF SERVICE.—For the purposes of section 1331 of this title, the Secretary of a military department may—

"(1) during the period described in subsection (b), determine to treat a member of the Selected Reserve of a reserve component of the armed force under the jurisdiction of that Secretary as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member—

"(A) as of October 1, 1991, has completed at least 15, and less than 20, years of service computed under section 1332 of this title; or

"(B) after that date and before October 1, 1995, completes 15 years of service computed under that section; and

"(2) upon the request of the member submitted to the Secretary within one year after the date of the notification referred to in paragraph (1), transfer the member to the Retired Reserve.

"(b) PERIOD OF AUTHORITY.—The period referred to in subsection (a)(1) is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993 and ending on October 1, 1995.

"(c) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) The Secretary of the military department concerned may limit the applicability of subsection (a) to any category of personnel defined by the Secretary in order to meet a need of the armed force under the jurisdiction of the Secretary to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

"(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a) of the National Defense Authorization Act for Fiscal Year 1993.

"(d) EXCLUSION.—This section does not apply to persons referred to in section 1331(c) of this title.

"(e) REGULATIONS.—The authority provided in this section shall be subject to regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1331 the following new item:

"1331a. Temporary special retirement qualification authority.".

SEC. 548. SEPARATION PAY.

(a) ELIGIBILITY.—Subject to section 545, a member of the Selected Reserve who, after completing at least 6 years of service computed under section 1332 of title 10, United States Code, and before completing 15 years of service computed under that section, is involuntarily discharged from a reserve component of the Armed Forces or is involuntarily transferred from the Selected Reserve is entitled to separation pay.

(b) AMOUNT OF SEPARATION PAY.—(1) The amount of separation pay which may be paid to a person under this section is 15 percent of the product of—

(A) the years of service credited to that person under section 1333 of title 10, United States Code; and

(B) 62 times the daily equivalent of the monthly basic pay to which the person would have been entitled had the person been serving on active duty at the time of the person's discharge or transfer.

(2) In the case of a person who receives separation pay under this section and who later receives basic pay, compensation for inactive duty training, or retired pay under any provision of law, such basic pay, compensation, or retired pay, as the case may be, shall be reduced by 75 percent until the total amount withheld through such reduction equals the total amount of the separation pay received by that person under this section.

(c) RELATIONSHIP TO OTHER SERVICE-RELATED PAY.—Subsections (g) and (h) of section 1174 of title 10, United States Code, shall apply to separation pay under this section.

(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations, which shall be uniform for the Army, Navy, Air Force, and Marine Corps, for the administration of this section.

SEC. 549. WAIVER OF CONTINUED SERVICE REQUIREMENT FOR MONTGOMERY GI BILL BENEFITS.

(a) IN GENERAL.—The eligibility of a person referred to in subsection (b)—

(1) to be provided educational assistance under chapter 106 of title 10, United States Code, may not be terminated under section 2134(2) of that title, or

(2) to be provided educational assistance under chapter 30 of title 38, United States Code, may not be terminated under section 3012(a) of that title,

on the basis of the termination of that person's status as a member of the Selected Reserve under the circumstances described in subsection (b).

(b) APPLICABILITY.—Subsection (a) applies to a member of the Selected Reserve who, before completing the years of service in the Selected Reserve agreed to under section 2132(a) of title 10, United States Code, or the years of service required by section 3012(a) of title 38, United States Code, as the case may be, ceases to be a member of the Selected Reserve during the force reduction transition period by reason of the inactivation of his unit of assignment or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 268(b) of title 10, United States Code.

SEC. 550. COMMISSARY AND EXCHANGE PRIVILEGES.

The Secretary of Defense shall prescribe regulations to authorize a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period to continue to use commissary and exchange stores in the same manner as a member of the Selected Reserve for a period of one year after the later of—

(1) the date on which that person ceases to be a member of the Selected Reserve; or

(2) the date of the enactment of this Act.

SEC. 551. TEMPORARY CONTINUATION OF SERVICEMEN'S GROUP LIFE INSURANCE.

(a) CONTINUED COVERAGE.—For the purposes of section 1968(a) of title 38, United States Code, the 120-day period of coverage provided for under paragraph (4) of such section shall be extended to a 365-day period of coverage in the case of a former member of the Selected Reserve referred to in subsection (b).

(b) ELIGIBILITY.—Subsection (a) applies to a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period and is ready, willing, and able to perform the training described in section 1965(5)(B) of title 38, United States Code.

(c) PAYMENT OF PREMIUMS.—The total amount of the cost attributable to insuring a person under this section shall be paid from any funds available to the Department of Defense for the pay of reserve component personnel that the Secretary of Defense determines appropriate.

(d) IMPLEMENTATION.—The Secretary of Veterans Affairs shall take any contracting and other actions that are necessary to ensure that the provisions of this section are implemented promptly.

SEC. 552. APPLICABILITY AND TERMINATION OF BENEFITS.

(a) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned

may limit the applicability of a benefit provided under sections 548 through 551 to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(b) INAPPLICABILITY TO CERTAIN SEPARATIONS AND REASSIGNMENTS.—Sections 548 through 551 do not apply with respect to personnel who cease to be members of the Selected Reserve under adverse conditions, as characterized by the Secretary of the military department concerned.

(c) TERMINATION OF BENEFITS.—The eligibility of a member of a reserve component of the Armed Forces (after having involuntarily ceased to be a member of the Selected Reserve) to receive benefits and privileges under sections 548 through 551 terminates upon the involuntary separation of such member from the Armed Forces under adverse conditions, as characterized by the Secretary of the military department concerned.

Subtitle F—Other Matters

SEC. 561. RETENTION ON ACTIVE DUTY OF ENLISTED MEMBERS WITHIN TWO YEARS OF ELIGIBILITY FOR RETIREMENT.

(a) IN GENERAL.—Chapter 59 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1176. Enlisted members: retention after completion of 18 or more, but less than 20, years of service

"(a) REGULAR MEMBERS.—A regular enlisted member who is selected to be involuntarily separated, or whose term of enlistment expires and who is denied reenlistment, and who on the date on which the member is to be discharged is within two years of qualifying for retirement under section 3914 or 8914 of this title, or of qualifying for transfer to the Fleet Reserve or Fleet Marine Corps Reserve under section 6330 of this title, shall be retained on active duty until the member is qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve, as the case may be, unless the member is sooner retired or discharged under any other provision of law.

"(b) RESERVE MEMBERS.—A reserve enlisted member serving on active duty who is selected to be involuntarily separated, or whose term of enlistment expires and who is denied reenlistment, and who on the date on which the member is to be discharged or released from active duty is entitled to be credited with at least 18 but less than 20 years of service computed under section 1332 of this title, may not be discharged or released from active duty without the member's consent before the earlier of the following:

"(1) If as of the date on which the member is to be discharged or released from active duty the member has at least 18, but less than 19, years of service computed under section 1332 of this title—

"(A) the date on which the member is entitled to be credited with 20 years of service computed under section 1332 of this title; or

"(B) the third anniversary of the date on which the member would otherwise be discharged or released from active duty.

"(2) If as of the date on which the member is to be discharged or released from active duty the member has at least 19, but less than 20, years of service computed under section 1332 of this title—

"(A) the date on which the member is entitled to be credited with 20 years of service computed under section 1332 of this title; or

"(B) the second anniversary of the date on which the member would otherwise be discharged or released from active duty.".

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

"1176. Enlisted members: retention after completion of 18 or more, but less than 20, years of service.".

SEC. 562. LIMITATIONS ON ENLISTED AIDES.

(a) LIMITATION ON NUMBER.—Subsection (b) of section 981 of title 10, United States Code, is amended by striking out "300" and inserting in lieu thereof "240".

(b) LIMITATION ON ASSIGNMENTS.—Section 981 of such title is amended by adding at the end the following new subsection:

"(c) An enlisted member may be assigned or otherwise detailed to duty as an enlisted aide on the personal staff of an officer only if the officer is serving in the position of a commander.".

(c) CONFORMING AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 981. Limitations on enlisted aides".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 is amended to read as follows:

"981. Limitations on enlisted aides.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1993.

SEC. 563. LIMITATION RELATING TO PERMANENT CHANGES OF STATIONS.

Of the funds appropriated to the Department of Defense for fiscal year 1993 for military personnel, not more than $2,863,110,000 is authorized to be made available for the costs of permanent changes of station.

SEC. 564. REDUCTIONS IN NUMBER OF PERSONNEL CARRYING OUT RECRUITING ACTIVITIES.

The average daily number of members of the Armed Forces serving on full-time active duty or full-time National Guard duty who, as a primary duty, carry out personnel recruiting activities during fiscal year 1994 may not exceed the number equal to 90 percent of the average daily number of members of the Armed Forces who, as a primary duty, carried out personnel recruiting activities while serving on full-time active duty or full-time National Guard duty during fiscal year 1992. The Secretary of Defense shall ensure that the number of such personnel who, as a primary duty, carry out such activities is reduced appropriately in fiscal year 1993 to achieve the reduction required for fiscal year 1994.

SEC. 565. JUNIOR RESERVE OFFICER TRAINING CORPS.

(a) REORGANIZATION OF TEXT.—Subsection (a) of section 2031 of title 10, United States Code, is amended by redesignating the first, second, and third sentences as paragraphs (1), (3), and (4), respectively.

(b) PURPOSE OF PROGRAM.—Subsection (a) of such section, as amended by subsection (a) of this section, is further amended by inserting after paragraph (1) the following new paragraph (2):

"(2) It is a purpose of the Junior Reserve Officers' Training Corps to instill in students in United States secondary educational institutions the values of citizenship, service to the United States, and personal responsibility, and an appreciation of self-worth.".

(c) INCREASED LIMITATION ON NUMBER OF UNITS.—Paragraph (3) of section 2031(a) of title 10, United States Code, as designated by subsection (a) of this section, is amended to read as follows:

"(3) The total number of units which may be established and maintained by all of the military departments under authority of this section may not exceed 3,500.".

(d) WAIVER OF PAY CONTRIBUTION BY SCHOOLS.—Section 2031(d)(1) of such title is amended by adding at the end the following: "The Secretary of the military department concerned may pay the entire additional amount to an institution if the Secretary determines that such action is in the national interest and in the interest of the community of that institution.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1993.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1993 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective of January 1, 1993, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 3.7 percent.

SEC. 602. TEMPORARY RATES OF BASIC PAY FOR CERTAIN NONCOMMISSIONED OFFICERS AND WARRANT OFFICERS AND FOR CERTAIN COLONELS AND NAVY CAPTAINS.

(a) RATES OF PAY.—For months beginning after December 31, 1992, and before October 1, 1995, the rate of monthly basic pay for a member of the uniformed services (entitled to such pay under section 204 of title 37, United States Code) in pay grade E-7, E-8, E-9, W-4, W-5, or O-6 with over 24, but under 26, years of service (computed under section 205 of such title) shall be as follows:

(1) For pay grade E-7, $2,359.30.
(2) For pay grade E-8, $2,639.70.
(3) For pay grade E-9, $2,977.70.
(4) For pay grade W-4, $3,430.90.
(5) For pay grade W-5, $3,827.30.
(6) For pay grade O-6, $5,417.70.

(b) ADJUSTMENTS.—The rates of monthly basic pay established under subsection (a) shall be adjusted in accordance with section 1009 of title 37, United States Code.

SEC. 603. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) REENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(b) ENLISTMENT BONUS FOR CRITICAL SKILLS.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(c) AVIATOR RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(d) EXTENSION OF BONUS AUTHORITIES FOR RESERVE ENLISTMENTS, REENLISTMENTS, AFFILIATIONS, AND EXTENSIONS.—Sections

308b(f), 308c(e), 308e(e), 308h(g), and 308i(i) of title 37, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(e) EXTENSION OF SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(f) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1993".

(g) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(h) NURSE CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(i) SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect as of September 30, 1992.

Subtitle B—Other Matters

SEC. 611. REQUIREMENT FOR PROPOSAL ON CONCURRENT PAYMENT OF RETIRED OR RETAINER PAY AND VETERANS' DISABILITY COMPENSATION.

The Secretary of Defense shall—

(1) submit to the congressional defense committees the Secretary's recommendations for legislation—

(A) to permit the concurrent payment to members and former members of the Armed Forces of full retired or retainer pay and full compensation for service-connected disabilities payable under laws administered by the Secretary of Veterans Affairs; or

(B) to ensure by some other means that members and former members of the Armed Forces entitled to retired or retainer pay are not financially penalized by being entitled to compensation for service-connected disabilities payable under such laws; and

(2) reserve in the legislative contingency fund of the Department of Defense a sufficient amount to ensure the concurrent payment of full retired or retainer pay to members and former members entitled to disability compensation referred to in paragraph (1) in fiscal year 1994 in the event that such legislation is enacted.

SEC. 612. EXPANSION OF REIMBURSABLE ADOPTION EXPENSES.

(a) DEPARTMENT OF DEFENSE PROGRAM.—Section 1052(g) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking out "through adoption or by" and inserting in lieu thereof "through adoption, by"; and

(ii) by inserting ", or through a private placement" before the period at the end; and

(B) by striking out the second sentence;

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

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

"(2) The term 'qualifying adoptions expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the armed forces is stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law."; and

(4) in paragraph (3), as redesignated by paragraph (2)—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2), transportation expenses relating to the adoption.".

(b) COAST GUARD PROGRAM.—Section 514(g) of title 14, United States Code, is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by striking out "through adoption or by" and inserting in lieu thereof "through adoption, by"; and

(ii) by inserting ", or through a private placement" before the period at the end; and

(B) by striking out the second sentence;

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

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

"(2) The term 'qualifying adoptions expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the Armed Forces is stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law."; and

(4) in paragraph (3), as redesignated by paragraph (2)—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2), transportation expenses relating to the adoption.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect as of October 1, 1990, and shall apply to qualifying adoption expenses incurred on or after that date for adoption proceedings initiated on or after that date.

SEC. 613. PROHIBITION ON THE ASSERTION OF LIENS ON PERSONAL PROPERTY BEING TRANSPORTED AT GOVERNMENT EXPENSE.

(a) TITLE 37.—Section 406 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(n) No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of baggage and household goods being transported under this section.".

(b) TITLE 10.—Section 2634 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) No carrier, port agent, warehouseman, freight forwarder, or other person involved in the transportation of property may have any lien on, or hold, impound, or otherwise interfere with, the movement of a motor vehicle being transported under this section.".

SEC. 614. ADVANCE PAYMENTS IN CONNECTION WITH EVACUATIONS OF PERSONNEL.

(a) EXPANDED AUTHORITY.—Section 1006(c) of title 37, United States Code, is amended by striking out the first and second sentences and inserting in lieu thereof the following: "Under regulations prescribed by the Secretary concerned, an advance of pay to a member of a uniformed service who is on duty outside the United States, or other place designated by the President, of not more than 2 month's basic pay may be made to a member if the member or his dependents are ordered evacuated by competent authority. An advance of pay under this subsection is not subject to the conditions under which advances of pay may be made under subsection (a) or (b). An advance may be made on the basis of the evacuation of a member's dependents only if all dependents of members of the uniformed services are ordered evacuated from the place where the member's dependents are located. In the case of a member with dependents, the payment may be made directly to dependents previously designated by the member.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to evacuations on or after June 1, 1991.

SEC. 615. INCREASE IN RECOMPUTED RETIRED PAY FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.

(a) MEMBERS INITIALLY ACCESSED BEFORE SEPTEMBER 8, 1980.—Section 1402 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) In the case of a member who is entitled to recompute retired pay under this section upon release from active duty served after retiring under section 3914 or 8914 of this title, the member's retired pay as recomputed under another provision of this

section shall be increased by 10 percent of the amount so recomputed if the member has been credited by the Secretary concerned with extraordinary heroism in the line of duty during any period of active duty service in the armed forces.

"(2) The amount of the retired pay as recomputed under another provision of this section and as increased under paragraph (1) may not exceed the amount equal to 75 percent of the monthly rate of basic pay upon which the recomputation of such retired pay is based.

"(3) The determination of the Secretary concerned as to extraordinary heroism is conclusive for all purposes.".

(b) MEMBERS INITIALLY ACCESSED AFTER SEPTEMBER 7, 1980.—Section 1402a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) ADDITIONAL 10 PERCENT FOR CERTAIN ENLISTED MEMBERS CREDITED WITH EXTRAORDINARY HEROISM.—(1) In the case of a member who is entitled to recompute retired pay under this section upon release from active duty served after retiring under section 3914 or 8914 of this title, the member's retired pay as recomputed under another provision of this section shall be increased by 10 percent of the amount so recomputed if the member has been credited by the Secretary concerned with extraordinary heroism in the line of duty during any period of active duty service in the armed forces.

"(2) The amount of the retired pay as recomputed under another provision of this section and as increased under paragraph (1) may not exceed the amount equal to 75 percent of the retired pay base upon which the recomputation of such retired pay is based.

"(3) The determination of the Secretary concerned as to extraordinary heroism is conclusive for all purposes.".

(c) PROSPECTIVE APPLICABILITY.—No benefits shall accrue for months beginning before the date of the enactment of this Act by reason of the amendments made by this section.

SEC. 616. AUTHORIZED BENEFITS UNDER SPECIAL SEPARATION BENEFITS PROGRAMS.

(a) TRAVEL AND TRANSPORTATION BENEFITS.—Subsection (b)(2)(B) of section 1174a of title 10, United States Code, is amended by inserting after "chapter 58 of this title" the following: ", sections 404 and 406 of title 37, and section 503(c) of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1558; 37 U.S.C. 406 note)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of December 5, 1991.

SEC. 617. RETIRED PAY FOR PERSONS WHO WERE RESERVES OF AN ARMED FORCE BEFORE AUGUST 16, 1945.

(a) ELIGIBILITY FOR RETIRED PAY FOR NONREGULAR SERVICE.—Section 1331(c) of title 10, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

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

"(3) he performed at least 20 years of service (computed under section 1332 of this title) after August 15, 1945.".

(b) EXCLUSION OF CERTAIN SERVICE FOR PURPOSES OF DETERMINING ENTITLEMENT FOR RETIRED PAY.—Section 1332(b) of such title is amended by adding at the end the following new paragraph:

"(8) Service before August 16, 1945, if eligibility for retired pay is based on section 1331(c)(3) of this title.".

(c) EXCLUSION OF CERTAIN SERVICE FOR PURPOSES OF COMPUTING RETIRED PAY.—Section 1333 of such title is amended—

(1) by striking out "For" and inserting in place thereof "(a) Except as provided in subsection (b), for"; and

(2) by adding the following new subsection:

"(b) Service before August 16, 1945, may not be counted under subsection (a) if eligibility for retired pay is based on section 1331(c)(3) of this title.".

SEC. 618. REFERENCES RELATING TO TRAVEL AND TRANSPORTATION BENEFITS.

Section 404(e) of title 37, United States Code, is amended—

(1) by striking out "Military Airlift Command" and inserting in lieu thereof "Air Mobility Command"; and

(2) by striking out "or Naval Aircraft Ferrying Squadrons," and inserting in lieu thereof "Naval Aircraft Ferrying Squadrons, or any other unit determined by the Secretary concerned to be performing duties similar to the duties performed by such command or squadrons,".

SEC. 619. SUBSISTENCE REIMBURSEMENT RELATING TO ESCORTS OF FOREIGN ARMS CONTROL INSPECTION TEAMS.

(a) TRAVEL ALLOWANCE.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 434. Subsistence reimbursement relating to escorts of foreign arms control inspection teams

"(a) Under uniform regulations prescribed by the Secretaries concerned, a member of the armed forces may be reimbursed for the reasonable cost of subsistence incurred by the member while performing duties as an escort of an arms control inspection team of a foreign country, or any member of such a team, while the team or the team member, as the case may be, is engaged in activities related to the implementation of an arms control treaty or agreement.

"(b) The authority under subsection (a) applies to the period during which the inspection team, pursuant to authority specifically provided in the applicable arms control treaty or agreement, is in the country where inspections and related activities are being conducted by the team pursuant to that treaty or agreement.

"(c) The authority under subsection (a) applies to a member of the armed forces whether the duties referred to in that subsection are performed at, near, or away from the member's permanent duty station.".

(2) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end the following new item:

"434. Subsistence reimbursement relating to escorts of foreign arms control inspection teams.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to duty performed on or after the date of the enactment of this Act.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. APPOINTMENT OF CHIROPRACTORS AS COMMISSIONED OFFICERS.

(a) ARMY.—(1) Section 3068(a)(5) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of subparagraph (D);

(B) by redesignating subparagraph (E) as subparagraph (F); and

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

"(E) the Chiropractic Section; and".

(2)(A) Chapter 335 of title 10, United States Code, is amended by inserting after section 3283 the following new section 3284:

"§ 3284. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Army may be appointed a regular commissioned officer in the Medical Service Corps of the Army.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3283 the following new item:

"3284. Appointment of chiropractors as commissioned officers.".

(3)(A) Chapter 337 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3397. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Army may be appointed a reserve commissioned officer in the Medical Service Corps of the Army.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3396 the following new item:

"3397. Appointment of chiropractors as commissioned officers.".

(b) NAVY.—(1) Chapter 539 of such title is amended by inserting after the table of sections for such chapter the following new section 5571:

"§ 5571. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Navy may be appointed a regular commissioned officer or a reserve commissioned officer in the Medical Corps of the Navy.".

(2) The table of sections at the beginning of such chapter is amended by inserting above the item relating to section 5582 the following new item:

"5571. Appointment of chiropractors as commissioned officers.".

(c) AIR FORCE.—(1) Section 8067 of such title is amended—

(A) by redesignating subsections (g), (h), and (i) as subsections (h), (i), and (j), respectively; and

(B) by inserting after subsection (f) the following new subsection (g):

"(g) Chiropractic functions in the Air Force shall be performed by commissioned officers of the Air Force who are qualified under regulations prescribed by the Secretary and who are designated as chiropractic officers.".

(2)(A) Chapter 835 of title 10, United States Code, is amended by inserting after section 8281 the following new section 8284:

"§ 8284. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the Air Force may be appointed a regular commissioned officer in the Air Force for designation as a chiropractic officer.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8281 the following new item:

"8284. Appointment of chiropractors as commissioned officers.".

(3)(A) Chapter 837 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8397. Appointment of chiropractors as commissioned officers

"A chiropractor who is qualified under regulations prescribed by the Secretary of the

Air Force may be appointed a reserve commissioned officer in the Air Force for designation as a chiropractic officer.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8396 the following new item:

"8397. Appointment of chiropractors as commissioned officers.".

(4) Section 8579 of such title is amended—

(A) by striking out "or biomedical sciences officer" and inserting in lieu thereof "biomedical sciences, or chiropractic officer"; and

(B) by striking out "or (i) of section 8067" and inserting in lieu thereof "(g), or (j) of section 8067".

(5) Section 8848(b) of such title is amended by striking out "section 8067 (a)-(d) or (g)-(i)" and inserting in lieu thereof "any of subsections (a) through (d) or (g) through (j) of section 8067".

SEC. 702. REVISIONS TO DEPENDENTS' DENTAL PROGRAM UNDER CHAMPUS.

(a) REPEAL OF AUTHORITY TO ESTABLISH SUPPLEMENTAL PLANS.—Section 1076a of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "and supplemental" in the first sentence; and

(B) by striking out the last sentence;

(2) in subsection (b), by striking out paragraph (3);

(3) in subsection (d)—

(A) by striking out paragraph (2);

(B) by striking out "(1)" before "A basic"; and

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

(4) by striking out subsection (e) and inserting in lieu thereof the following:

"(e) COPAYMENTS.—A member whose spouse or child receives care under a basic dental benefits plan shall—

"(1) pay no charge for care described in subsection (d)(1); and

"(2) pay 20 percent of the charges for care described in subsection (d)(2).".

(b) PREMIUM INCREASE.—Subsection (b)(2) of such section is amended by striking out "$10" and inserting in lieu thereof "$20".

(c) IMPROVEMENT IN BENEFITS.—Subsection (d) of such section, as amended by subsection (a)(3) of this section, is further amended by adding at the end the following new paragraph:

"(3) Orthodontic services, crowns, gold fillings, bridges, and complete or partial dentures.".

(d) COPAYMENT FOR ADDITIONAL BENEFITS.—Subsection (e) of such section, as amended by subsection (a)(4) of this section, is further amended—

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

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

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

"(3) pay a percentage of the charges for care described in subsection (d)(3) that is determined appropriate by the Secretary of Defense, after consultation with the other administering Secretaries.".

(e) PROGRAM OF IMPROVED DEPENDENTS' DENTAL BENEFITS.—(1) The Secretary of Defense, after consulting with the other administering Secretaries, shall devise and implement a program for the improvement of the provision of dental benefits to dependents of members of the Armed Forces under the Civilian Health and Medical Program of the Uniformed Services.

(2) In this subsection:

(A) The term "administering Secretaries" has the meaning given such term in section 1072(3) of title 10, United States Code.

(B) The term "Civilian Health and Medical Program of the Uniformed Services" has the meaning given that term in section 1072(4) of such title.

(3) Of the funds authorized to be appropriated in section 301, $80,000,000 shall be available to the Secretary of Defense for carrying out paragraph (1).

(f) EFFECTIVE DATES AND SAVINGS PROVISION.—(1) The amendments made by subsections (a) and (b) shall take effect on the first day of the first month that begins after the date of the enactment of this Act. The amendments made by subsections (c) and (d) shall take effect on the date of the enactment of this Act.

(2) Spouses and children who, on the day before the date of the enactment of this Act, are covered by enrollments in supplemental dental benefits plans established under section 1076a of title 10, United States Code, may continue to receive benefits under such plan until the first day of the sixth month that begins after such date, subject to the premium requirement provided in paragraph (3) of section 1076a of title 10, United States Code, as such paragraph was in effect on the day before the effective date of the amendments made by subsection (a).

SEC. 703. SENSE OF CONGRESS REGARDING HEALTH CARE POLICY FOR THE UNIFORMED SERVICES.

It is the sense of Congress that—

(1) members and former members of the uniformed services, and their dependents and survivors, should have access to health care under the health care delivery system of the uniformed services regardless of the age or health care status of the person seeking the health care;

(2) such health care delivery system should include a comprehensive managed care plan;

(3) the comprehensive managed care plan should involve medical personnel of the uniformed services (including reserve component personnel), civilian health care professionals of the executive agency of such uniformed services, medical treatment facilities of the uniformed services, contract health care personnel, and the medicare system;

(4) the Secretary of Defense, the Secretary of Health and Human Services, and the Secretary of Transportation should continue to provide active duty personnel of the uniformed services with free care in medical treatment facilities of the uniformed services and to provide the other personnel referred to in paragraph (1) with health care at minimal cost to the recipients of the care; and

(5) the Secretaries referred to in paragraph (4) should offer additional health care options to the personnel referred to in paragraph (1) including, in the case of persons eligible for medicare under title XVIII of the Social Security Act, options providing for—

(A) the reimbursement of the Department of Defense by the Secretary of Health and Human Services for health care services provided such personnel at medical treatment facilities of the Department of Defense; and

(B) the sharing of the payment of the costs of contract health care by the Department of Defense and the Department of Health and Human Services, with one such department being the primary payer of such costs and the other such department being the secondary payer of such costs.

SEC. 704. MILITARY HEALTH CARE FOR PERSONS RELIANT ON HEALTH CARE FACILITIES AT BASES BEING CLOSED AND REALIGNED.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a joint services working group on the provision of military health care to persons who rely for health care on health care facilities at military installations being closed or realigned.

(b) MEMBERSHIP.—The members of the working group shall include the Assistant Secretary of Defense for Health Affairs, the Surgeon General of the Army, the Surgeon General of the Navy, the Surgeon General of the Air Force, or a designee of each such person, and one independent member appointed by the Secretary of Defense from among private citizens whose interest in matters within the responsibility of the working group qualify that person to represent all personnel entitled to health care under chapter 55 of title 10, United States Code.

(c) DUTIES.—(1) In the case of each closure or realignment of a military installation that will adversely affect the accessibility of health care in a facility of the uniformed services for persons entitled to such health care under chapter 55 of title 10, United States Code, the working group shall solicit the views of such persons regarding suitable substitutes for the furnishing of health care to those persons under that chapter.

(2) In carrying out paragraph (1), the working group—

(A) shall conduct meetings with persons referred to in that paragraph, or representatives of such persons;

(B) may use reliable sampling techniques;

(C) shall visit the areas where closures and realignments of military installations will adversely affect the accessibility of health care in a facility of the uniformed services for persons referred to in paragraph (1) and shall conduct public meetings; and

(D) shall ensure that members of the uniformed services on active duty, members and former members of the uniformed services entitled to retired or retainer pay, and dependents and survivors of such members and retired personnel are afforded the opportunity to express views.

(d) RECOMMENDATIONS.—With respect to each closure and realignment of a military installation referred to in subsection (c), the working group shall submit to the Congress and the Secretary of Defense the working group's recommendations regarding the alternative means for continuing to provide accessible health care under chapter 55 of title 10, United States Code, to persons referred to in that subsection.

(e) APPLICATION OF ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the joint services working group established pursuant to this section.

SEC. 705. PROGRAMS RELATING TO THE SALE OF PHARMACEUTICALS.

(a) PHARMACEUTICALS BY MAIL.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the administering Secretaries, shall—

(1) establish a program that permits eligible persons to obtain prescription pharmaceuticals by mail in connection with medical care furnished to such persons under chapter 55 of title 10, United States Code; and

(2) conduct the program in two or more regions selected by the Secretary, each of which consists of two or more States.

(b) RETAIL PHARMACY NETWORK.—(1) Not later than 18 months after such date, the Secretary of Defense, in consultation with

the administering Secretaries, shall carry out the demonstration project described in paragraph (2).

(2) Under the demonstration project, the Secretary shall enter into one or more contracts or otherwise provide for the supply of prescription pharmaceuticals to eligible persons through a network of local retail pharmacies. The Secretary shall carry out the demonstration project in a region (selected by the Secretary) consisting of two or more States.

(c) ELIGIBLE PERSONS.—A person eligible to obtain pharmaceuticals under the program under subsection (a) or the demonstration project under subsection (b) is any person living in a State covered by the program or project who—

(1) is entitled to medical care under a contract for medical care entered into by the Secretary of Defense under section 1079 or 1086 of title 10, United States Code; or

(2) is over 65 years of age and resides in an area (as determined by the Secretary) that is affected by the closure of a health care facility of the uniformed services as a result of the closure or realignment of the military installation at which such facility is located.

(d) PURCHASE FEES.—(1) The Secretary of Defense, in consultation with the administering Secretaries, shall determine for the program and the demonstration project—

(A) subject to paragraph (2), the pharmaceuticals that may be obtained by eligible persons under the program or the demonstration project; and

(B) an appropriate fee, charge, or copayment to be paid by such persons for such pharmaceuticals obtained under the program or demonstration project.

(2) The Secretary shall, to the maximum extent practicable, ensure that the pharmaceuticals obtained under the program and the project are generic pharmaceuticals. The Secretary may provide that name brand pharmaceuticals be obtained in such circumstances as the Secretary of Defense determines appropriate.

(e) REPORT.—Not later than 2 years after the establishment of the program under subsection (a) and the demonstration project under subsection (b), the Secretary of Defense shall submit to Congress a report on the following:

(1) In the case of the program, the results of the program, recommendations, if any, for revision of the program, and a plan (including a schedule) for implementing the program throughout the United States.

(2) In the case of the demonstration project, the results of the project and the recommendations of the Secretary with respect to the advisability of making the project permanent.

(f) DEFINITIONS.—In this section, the terms "uniformed services" and "administering Secretaries" have the meanings given those terms in section 1072 of title 10, United States Code.

SEC. 706. ANNUAL BENEFICIARY SURVEY.

The administering Secretaries referred to in section 1072 of title 10, United States Code, shall conduct annually a formal survey of persons receiving health care under chapter 55 of such title in order to determine the following:

(1) The availability of health care services to such persons through the health care system provided for under that chapter, the types of services received, and the facilities in which the services were provided.

(2) The familiarity of such persons with the services available under that system and with the facilities in which such services are provided.

(3) The health of such persons.

(4) The level of satisfaction of such persons with that system and the quality of the health care provided through that system.

(5) Such other matters as the administering Secretaries determine appropriate.

SEC. 707. MAXIMUM ANNUAL AMOUNT FOR DEDUCTIBLES AND COPAYMENTS.

(a) REDUCED MAXIMUM ANNUAL AMOUNT.—Section 1086(b)(4) of title 10, United States Code, is amended by striking out "$10,000" and inserting in lieu thereof "$7,500".

(b) APPLICABILITY AFTER FISCAL YEAR 1992.—The amendment made by subsection (a) shall apply with respect to fiscal years beginning after September 30, 1992.

SEC. 708. CONTINUATION OF CHAMPUS COVERAGE FOR CERTAIN MEDICARE PARTICIPANTS.

(a) INCLUSION OF END STAGE RENAL DISEASE PATIENTS.—Section 1086(d)(2)(A) of title 10, United States Code, is amended by inserting before the semicolon the following: "or section 226A(a) of such Act (42 U.S.C. 426-1(a))".

(b) COVERAGE OF CARE PROVIDED SINCE SEPTEMBER 30, 1991.—The amendment made by subsection (a), and the amendment made by section 704(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401), shall apply with respect to health care benefits or services received after September 30, 1991, by a person described in subsection (d)(2) of section 1086 of title 10, United States Code, if such benefits or services would have been covered under a plan contracted for under such section 1086.

(c) CONFORMING AMENDMENTS.—(1) Section 704 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1401) is amended by striking out subsection (c).

(2) Section 8097 of the Department of Defense Appropriations Act, 1992 (Public Law 102-172; 105 Stat. 1197), is repealed.

SEC. 709. HOME HEALTH SERVICES UNDER CHAMPUS.

(a) ELIGIBILITY.—Section 1079(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (15):

(2) by striking out the period at the end of paragraph (16) and inserting in lieu thereof "; or"; and

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

"(17) home health services and other services (including services described in paragraphs (1) through (16)) in connection with extraordinary physical or psychological conditions may be provided only through a program of individualized case management established by the Secretary of Defense and in a manner determined (under regulations prescribed by the Secretary) to be cost-effective and appropriate.".

(b) CONFORMING AMENDMENT.—Section 1077 of such title is amended—

(1) by adding at the end of subsection (a) the following new paragraph:

"(15) Home health services."; and

(2) in subsection (b), by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (a)(15), the following".

SEC. 710. STUDY ON RISK-SHARING CONTRACTS FOR HEALTH CARE.

Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall—

(1) carry out a study of the feasibility and advisability of entering into risk-sharing contracts with eligible organizations described in section 1876 of the Social Security Act (42 U.S.C. 1395mm) to furnish health care services to persons entitled to health care in a facility of a uniformed service under section 1074(b) or 1076(b) of title 10, United States Code;

(2) if the Secretary determines that entry into such contracts is feasible and advisable, develop a plan for the entry into such contracts in accordance with the Secretary's determinations under the study; and

(3) submit to Congress a report on the results of the study and on the plan.

SEC. 711. COMPREHENSIVE STUDY OF THE MILITARY MEDICAL CARE SYSTEM.

Section 733 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 1071 note) is amended—

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

"(3) A comprehensive review of the Federal employees health benefits program under chapter 89 of title 5, United States Code, in order to determine whether furnishing health care under a similar program to persons entitled to health care under chapter 55 of title 10, United States Code, would result in the effective provision of health care to such persons and would be cost effective."; and

(2) in subsection (d)—

(A) by redesignating paragraph (12) as paragraph (13); and

(B) by inserting after paragraph (11) the following new paragraph (12):

"(12) A discussion of the results of the review under subsection (b)(3) and the Secretary's recommendations of the basis of those results.".

SEC. 712. NATIONAL CLAIMS PROCESSING CENTER FOR CHAMPUS.

(a) REQUIREMENT.—(1) The Secretary of Defense, in consultation with the administering Secretaries, shall provide by contract for the operation of a claims processing center to be known as the "National Centralized Claims Processing System for CHAMPUS". The contract shall provide for the center to commence operations not later than 5 years after the date of the enactment of this Act.

(2) The Secretary shall use competitive procedures for entering into the contract under paragraph (1).

(b) CENTER ACTIVITIES.—The claims processing center shall—

(1) maintain in electronic and written form appropriate information on health care services provided to covered beneficiaries by or through third parties under CHAMPUS or any alternative CHAMPUS program or demonstration project, including information on—

(A) the services to which such beneficiaries are entitled or eligible under an insurance plan, medical service plan, or health plan under CHAMPUS;

(B) the insurers, medical services, or health plans that provide such services; and

(C) the services available to beneficiaries under each insurance plan, medical service plan, or health plan, and the payment required of the beneficiaries and the insurer, medical service, or health plan for such services under the plan;

(2) receive in electronic or written form claims submitted by insurers, medical services, and health plans for services provided to covered beneficiaries;

(3) process, adjudicate, and pay (by electronic or other means) such claims; and

(4) provide the information described in paragraphs (1) and (2) and information on the matters referred to in paragraph (3) by telephone or other electronic means to covered

beneficiaries, insurers, medical services, and health plans.

(c) ADDITIONAL REQUIREMENT.—The Secretary shall ensure, to the maximum extent practicable, that claims submitted as described in subsection (b)(2) conform to the requirements applicable to claims submitted to the Secretary of Health and Human Services with respect to medical care provided under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

(d) IDENTIFICATION CARD.—The Secretary shall take appropriate actions to determine whether the use by covered beneficiaries of a standard identification card containing electronically readable information will enhance the capability of the claims processing center to carry out the matters set forth in subsection (b).

(e) DEFINITIONS.—In this section:

(1) The terms "administering Secretaries" and "covered beneficiary" have the meanings given such terms in paragraphs (3) and (5) of section 1072 of title 10, United States Code, respectively.

(2) The term "CHAMPUS" means the Civilian Health and Medical Program of the Uniformed Services, as defined in paragraph (4) of that section.

SEC. 713. ALTERNATIVE HEALTH CARE DELIVERY METHODOLOGIES.

(a) CONTINUATION OF HEALTH CARE REFORM INITIATIVES.—(1) During fiscal years 1993 through 1996, the Secretary of Defense shall continue to test a broad array of reform options for furnishing health care to persons who are eligible to receive health care under chapter 55 of title 10, United States Code.

(2) The health care reform options tested in accordance with paragraph (1) shall include CHAMPUS alternatives, the CHAMPUS Reform Initiative, catchment area management, coordinated care, and such other options as the Secretary of Defense considers appropriate.

(3) During fiscal year 1994, the Secretary shall conduct a study of the health care reform options tested as described in paragraph (1). The study shall compare the cost effectiveness of such options and the extent to which the persons who received health care under those options are satisfied with that health care. The Secretary shall report the results of the study to Congress.

(b) CONTINUATION OF CHAMPUS REFORM INITIATIVE IN HAWAII AND CALIFORNIA.—(1) The Secretary of Defense shall ensure that a replacement or successor contract for the CHAMPUS Reform Initiative contract applicable to California and Hawaii is awarded in sufficient time for the contractor to begin to provide health care in California and Hawaii under the replacement or successor contract not later than August 1, 1993.

(2) The Secretary shall use competitive procedures for awarding a replacement or successor contract under paragraph (1).

(3)(A) Not later than June 1, 1994, the Secretary of Defense shall provide by contract for a person outside the Federal Government to perform an evaluation of the conduct of the CHAMPUS Reform Initiative in Hawaii and California. The evaluation shall cover each of the fiscal years during which the initiative is carried out in such States under the replacement or successor contract referred to in paragraph (1) and under the predecessor contracts. The evaluation shall include a comparison of the cost savings and claims experience resulting in each such fiscal year from carrying out the initiative in such States.

(B) Not later than 1 year after the date on which the contract for evaluation is entered into under subparagraph (A), the person making the evaluation shall submit to the Secretary of Defense and to Congress a report on the results of the evaluation.

(c) INCLUSION OF POSITIVE INCENTIVES FOR ENROLLMENT UNDER THE COORDINATED CARE PROGRAM.—(1) The Secretary of Defense shall modify the Policy Guidelines on the Department of Defense Coordinated Care Program to provide covered beneficiaries with additional positive incentives to enroll in the coordinated care program of the Department of Defense.

(2) The incentives may include—

(A) a reduction of the copayment and deductibles prescribed under sections 1079 and 1086 of title 10, United States Code, for covered beneficiaries who enroll in the coordinated care program;

(B) alternative cost-sharing requirements for certain types of care; and

(C) an expansion of the benefits provided under the coordinated care program beyond the benefits authorized under CHAMPUS.

(2) The modifications required under paragraph (1) shall permit health care demonstration projects in existence on the date of the enactment of this Act (including the CHAMPUS Reform Initiative, the catchment area management projects, the CHAMPUS select fiscal intermediary program in the Southeast Region, and the managed health care programs established in the Tidewater region of Virginia) and future managed care health care incentives undertaken by the Department of Defense to offer covered beneficiaries not enrolled in the coordinated care program the opportunity to use a preferred provider network of health care providers.

(3) In determining what level and types of positive incentives are likely to induce covered beneficiaries to enroll in the coordinated care program, the Secretary shall take into consideration the extent to which covered beneficiaries not enrolled in the program are permitted to choose health care providers without prior referral or approval.

(4) Subject to the availability of space and facilities and the capabilities of the medical or dental staff, the Secretary of Defense may not deny access to military treatment facilities to covered beneficiaries who do not enroll in the coordinated care program. However, the Secretary may establish reasonable admission preferences for covered beneficiaries enrolled in the program as an incentive to encourage enrollment.

(d) DEFINITIONS.—In this section:

(1) The term "CHAMPUS" has the meaning given the term "Civilian Health and Medical Program of the Uniformed Services", as defined in section 1072(4) of title 10, United States Code.

(2) The term "covered beneficiary" has the meaning given that term in section 1072(5) of such title.

(3) The term "CHAMPUS Reform Initiative" has the meaning given that term in section 702(d)(1) of the Department of Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note).

(4) The term "catchment area management" means the methodology provided for demonstration in accordance with section 731 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (10 U.S.C. 1092 note).

(5) The term "Policy Guidelines on the Department of Defense Coordinated Care Program" means the Policy Guidelines on the Department of Defense Coordinated Care Program that were issued by the Assistant Secretary of Defense for Health Affairs on January 8, 1992.

SEC. 714. MEDICAL AND DENTAL CARE FOR CERTAIN INCAPACITATED DEPENDENTS.

(a) EXCLUSION OF CERTAIN INCAPACITATED DEPENDENTS FROM CHAMPUS COVERAGE.—Section 1086(c) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "and 1072(2)(I)" after "section 1072(2)(E)"; and

(2) in paragraph (2), by inserting "or 1072(2)(I)" after "section 1072(E)".

(b) APPLICABILITY OF EXCLUSION.—Section 1072(2) of title 10, United States Code, is amended—

(1) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) an unmarried legitimate child, including an adopted child or stepchild, who—

"(i) has not passed his twenty-first birthday;

"(ii) has not passed his twenty-third birthday, is enrolled in a full-time course of study at an institution of higher learning approved by the administering Secretary and is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support; or

"(iii) is incapable of self-support because of a mental or physical incapacity that occurs while a dependent of a member or former member under clause (i) or (ii) and is, or was at the time of the member's or former member's death, in fact dependent on him for over one-half of his support;";

(2) by striking out "and" at the end of subparagraph (G);

(3) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof a semicolon and "and"; and

(4) by inserting after subparagraph (H) the following new subparagraph:

"(I) an unmarried legitimate child, including an adopted child or stepchild, who is incapable of self-support because of a mental or physical incapacity that did not exist while the child was a dependent of a member or former member under subparagraph (D)(i) or (D)(ii) and is, or was at the time of the member's or former member's death, dependent on him for over one-half of his support.".

SEC. 715. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074c the following new section:

"§ 1074d. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074c the following new item:

"1074d. Reproductive health services in medical facilities of the uniformed services outside the United States.".

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Defense Conversion Policy for the National Defense Technology and Industrial Base

SEC. 801. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE POLICIES AND PLANNING.

(a) POLICIES AND PLANS FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter 135:

"CHAPTER 135—NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE

"Subchapter	Sec.
"I. Policies and Planning	2261
"II. Dual-Use Technologies	2271
"III. Manufacturing Technology	2281
"IV. Miscellaneous Technology Base Policies and Programs	2291
"V. Definitions	2300

"SUBCHAPTER I—POLICIES AND PLANNING

"Sec.
"2261. Policy.
"2262. National Defense Technology and Industrial Base Council.
"2263. National defense technology and industrial base assessment.
"2264. National defense technology and industrial base plan.
"2265. National Defense Program for Analysis of the Technology and Industrial Base.

"§ 2261. Policy

"(a) POLICY OBJECTIVES FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—It is the policy of Congress that the national defense technology and industrial base be capable of meeting the following national security objectives:

"(1) Supplying and equipping the force structure of the armed forces that is necessary to achieve the objectives set forth in the national security strategy report submitted to Congress by the President pursuant to section 104 of the National Security Act of 1947 (50 U.S.C. 404a), the policy guidance of the Secretary of Defense provided pursuant to section 113(g) of this title, and the multiyear defense program submitted to Congress by the Secretary of Defense pursuant to section 114a of this title.

"(2) Sustaining production, maintenance, repair, and logistics for operations of various durations and intensity.

"(3) Maintaining advanced research and development activities to provide the armed forces with systems capable of ensuring technological superiority over potential adversaries.

"(4) Reconstituting within a reasonable period the capability to develop and produce supplies and equipment, including technologically advanced systems, in sufficient quantities to prepare fully for a major war, major national emergency, or major mobilization of the armed forces before the commencement of that war, national emergency, or mobilization.

"(b) POLICY OBJECTIVES RELATING TO DEFENSE CONVERSION.—It is the policy of Congress that the United States seek to achieve the national defense technology and industrial base objectives set forth in subsection (a) through enhanced opportunities for conversion of defense-dependent businesses and industrial and technology base sectors to dual-use capabilities.

"(c) CIVIL-MILITARY INTEGRATION POLICY.—It is the policy of Congress that the United States attain the national defense technology and industrial base objectives set forth in subsection (a) through acquisition policy reforms that have the following objectives:

"(1) Relying, to the maximum extent practicable, upon the commercial national defense technology and industrial base that is required to meet the national security needs of the United States.

"(2) Reducing the reliance of the Department of Defense on technology and industrial sectors that are economically dependent on Department of Defense business.

"(3) Reducing Federal Government barriers to the use of commercial products, processes, and standards.

"§ 2262. National Defense Technology and Industrial Base Council

"(a) ESTABLISHMENT.—There is a National Defense Technology and Industrial Base Council.

"(b) COMPOSITION.—The Council is composed of the following members:

"(1) The Secretary of Defense, who shall serve as Chairman.

"(2) The Secretary of Energy.

"(3) The Secretary of Commerce.

"(c) RESPONSIBILITIES.—The Council shall have the following responsibilities:

"(1) To provide overall policy guidance and direction to the military departments and the Defense Agencies, to ensure effective cooperation among departments and agencies of the Federal Government, and to provide advice and recommendations to the President, the Secretary of Defense, and the Secretary of Energy concerning—

"(A) the capabilities of the national defense technology and industrial base to meet the national security objectives of the United States;

"(B) programs for achieving the defense conversion objectives set forth in section 2261(b) of this title; and

"(C) changes in acquisition policy that strengthen the national defense technology and industrial base.

"(2) To prepare annually the assessment and plan required by sections 2263 and 2264 of this title, respectively.

"§ 2263. National defense technology and industrial base assessment

"(a) COMPREHENSIVE ASSESSMENT.—The National Defense Technology and Industrial Base Council shall prepare a comprehensive annual assessment of the capability of the national defense technology and industrial base to attain each of the objectives set forth in section 2261 of this title.

"(b) SECTOR CAPABILITY ANALYSIS.—(1) The annual assessment shall include a sector capability analysis composed of the following matters:

"(A) An analysis of the role of each sector in attaining each of the objectives set forth in section 2261 of this title.

"(B) An analysis of the current and projected capability of each sector to attain each such objective for each of the following periods:

"(i) The fiscal year during which the assessment is submitted to Congress pursuant to section 2264(l) of this title.

"(ii) The following fiscal year.

"(iii) The multiyear period covered by the multiyear defense program submitted under section 114a of this title during the fiscal year referred to in clause (i).

"(2) The analysis required by paragraph (1)(B) shall include, for each sector for each period described in paragraph (1)(B), an analysis of the present and projected capabilities of prime contractors, subcontractors, the Defense Industrial Reserve under section 2292 of this title, and departments and agencies of the Federal Government with respect to each of the following:

"(A) Research and development, including research and development regarding the critical technologies identified under subsection (f).

"(B) Application of critical technologies to the production of goods and the furnishing of services.

"(C) Test and evaluation.

"(D) Low rate production.

"(E) High volume production.

"(F) Repair and maintenance.

"(G) Design and prototyping.

"(H) Work force skills and capabilities, including improvements that build on the skill and experience of their work force.

"(c) FOREIGN DEPENDENCY CONSIDERATIONS.—In the preparation of the annual assessment the Council shall consider, for each sector, the following factors:

"(1) The availability of essential raw materials, special alloys, composite materials, components, subsystems, production equipment, facilities, special tooling, and production test equipment for—

"(A) the sustained production of systems fully capable of meeting the performance objectives established for those systems;

"(B) the uninterrupted maintenance and repair of such systems; and

"(C) the sustained operation of such systems.

"(2) The identification of items specified in paragraph (1) that are available only from sources outside the national defense technology and industrial base.

"(3)(A) The availability of alternatives for obtaining such items from within the national defense technology and industrial base if such items become unavailable from sources outside the national defense technology and industrial base.

"(B) An analysis of any military vulnerability that could result from the lack of reasonable alternatives.

"(4) The effects on the national defense technology and industrial base that result from foreign acquisition of firms in the United States.

"(d) FINANCIAL CONDITION ANALYSIS.—(1) The assessment shall include an analysis of the present and projected financial condition of each sector, for each period described in subsection (b)(1)(B).

"(2) In the analysis of the financial condition of each sector, the Council shall specifically consider the following matters:

"(A) Trends in the following:

"(i) Profitability.

"(ii) Levels of capital investment.

"(iii) Expenditures on research and development.

"(iv) Levels of debt.

"(B) The effects of actual and potential commercial sales.

"(C) The consequences of mergers, acquisitions, and takeovers.

"(D) The effects of Department of Defense financial policies, including the following:

"(i) Policies relating to progress payments or other financing by the Department of Defense.

"(ii) Policies relating to the return on contractor investment.

"(iii) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.

"(E) The effects of expenditures in the sector by departments and agencies of the Federal Government other than the Department of Defense and the Department of Energy (for national security programs).

"(F) The analysis required by subsection (e).

"(e) ANALYSIS OF IMPACT OF DEPARTMENT OF DEFENSE REDUCTIONS.—(1) The annual assessment shall include an analysis of the impact of the terminations and significant reductions of major research and development programs and procurement programs of the Department of Defense on the capability of each sector to attain each of the objectives set forth in section 2261 of this title.

"(2) The programs referred to in paragraph (1) are those programs in which a termination or significant reduction in expenditures—

"(A) has taken place in the fiscal year before the fiscal year in which the annual assessment is submitted to Congress pursuant to section 2264(1) of this title; or

"(B) is provided for—

"(i) in the budget submitted pursuant to section 1105(a) of title 31 in that fiscal year; and

"(ii) in the multiyear defense program submitted with such budget pursuant to section 114a of this title.

"(3) In this subsection, the term 'significant reduction', with respect to expenditures for a program for a fiscal year, means that the amount provided for that program for that fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program for that fiscal year is less than the amount provided for that program for the preceding fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program, respectively, for that preceding fiscal year by at least—

"(A) the greater of—

"(i) the amount equal to 10 percent of the amount provided for that preceding fiscal year; or

"(ii) $5,000,000; or

"(B) a lesser amount determined significant by the Secretary of Defense or the Council.

"(f) CRITICAL TECHNOLOGY ANALYSIS.—(1) The annual assessment shall include a critical technology analysis that identifies the product and process technologies that are most critical for attaining the technology and industrial base objectives set forth in section 2261 of this title. The number of technologies so identified may not exceed 20. The analysis shall be prepared in consultation with the Critical Technologies Institute.

"(2) For each technology, the analysis shall include the following:

"(A) The reasons for selection of that technology as a technology critical to the Department of Defense.

"(B) The potential dual-use applications of that technology.

"(C) The relationship between the activities of the Department of Defense and other Federal agencies in the development of that technology.

"(D) The potential contributions that the private sector can be expected to make from its own resources in connection with the development of civilian applications for such technology.

"(E) A comparison of the position of the United States to the positions of other nations in the development of that technology, including the potential contributions that other nations can make to meeting the needs of the United States for that technology.

"(g) SECTOR VIABILITY ANALYSIS.—(1) The annual assessment shall include an analysis, for each of the periods described in subsection (b)(1)(B), of the following matters:

"(A) The extent to which each sector is—

"(i) dependent on defense expenditures to ensure continued viability;

"(ii) dependent on a mix of defense and nondefense Federal Government expenditures to ensure continued viability;

"(iii) dependent on a mix of Federal Government expenditures and other Federal Government programs to ensure continued viability; and

"(iv) sufficiently integrated with the commercial marketplace to ensure continued viability regardless of the level of Federal Government expenditures in the sector.

"(B) The extent to which each sector is capable of—

"(i) ongoing production with a present capability for high volume production;

"(ii) maintenance of a production base that can be converted to high volume production within a reasonable period of time; or

"(iii) reconstitution of a production base that can reinstate high volume production within a reasonable period of time.

"(2) The analysis shall specifically identify any sectors and any entities within sectors that should be considered for inclusion in the Defense Industrial Reserve under section 2292 of this title.

"(3) In this section:

"(A) The term 'defense expenditure' means an expenditure by—

"(i) the Department of Defense; or

"(ii) the Department of Energy for a national security program.

"(B) The term 'continued viability' means the capability to attain the technology and industrial base objectives set forth in section 2261 of this title.

"(h) ISSUANCE.—The Secretary of Defense shall prescribe by regulation a schedule for the completion of the annual assessment that ensures sufficient time for the consideration of the assessment in the preparation of the annual national defense technology and industrial base plan required by section 2264 of this title.

"§ 2264. National defense technology and industrial base plan

"(a) IN GENERAL.—The National Defense Technology and Industrial Base Council shall prepare an annual plan for ensuring, to the maximum extent practicable, that the policies and programs of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government are planned, coordinated, funded, and implemented in a manner designed to attain each of the technology and industrial base objectives set forth in section 2261 of this title. The Council shall take into account the annual national defense technology and industrial base assessment prepared pursuant to section 2263 of this title in preparing the annual plan.

"(b) SECTOR VIABILITY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for each of the following:

"(1) Programs and policies of the Federal Government that are necessary to ensure the continued viability of each sector that is identified in the annual assessment as being economically dependent in whole or in part upon Federal Government programs or policies.

"(2) Programs and policies of the Federal Government that are necessary in each such sector—

"(A) to reduce each economic dependency of such sector on foreign sources that could create a military vulnerability; and

"(B) to provide for alternative sources in the event that the foreign sources become unavailable.

"(3) The composition and management of the Defense Industrial Reserve under section 2292 of this title.

"(c) MANUFACTURING TECHNOLOGY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for the following:

"(1) The National Defense Manufacturing Technology Program established under section 2281 of this title.

"(2) The support of manufacturing extension programs under section 2283 of this title.

"(3) Programs to enhance basic research in scientific disciplines relating to manufacturing technology through—

"(A) encouraging research in colleges and universities in the United States and in associated centers of excellence; and

"(B) establishing technology transfer mechanisms, and technology education and training mechanisms, that ensure that the results of such research are readily available to United States industry.

"(4) Programs for encouraging the use of computer-integrated manufacturing to improve manufacturing quality, reduce manufacturing costs, reduce production lead times, and improve maintenance.

"(5) Programs for enhancing Department of Defense use of concurrent engineering practices in the design and development of weapon systems.

"(6) Programs providing incentives for firms in the national defense technology and industrial base to use advanced manufacturing technology and processes and to invest in improved productivity.

"(7) Programs for encouraging research in colleges and universities and in other technology development and extension programs in the United States for the development of work systems that build on worker's skill and experience.

"(8) Programs for assisting in the transition to high performance work systems, including ongoing worker involvement in the evaluation, selection, and installation and operation of production technologies and associated organization or work.

"(d) CRITICAL TECHNOLOGIES GUIDANCE.—For each defense critical technology, the plan shall contain the following:

"(1) Specific guidance, including goals, milestones, and priorities, with respect to the development of the technology.

"(2) The specific funding requirements of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government for the development of the technology for the 5 fiscal years following the fiscal year in which the plan is submitted pursuant to subsection (1).

"(3) A designation of the lead organization within the Department of Defense or the Department of Energy to be responsible for the development of the technology.

"(4) A summary description of the lead organization's plan for the development of the technology, including the milestone goals.

"(e) INTEGRATED FINANCING GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to ensure that the financial policies of the Department of Defense and Department of En-

ergy (for national security programs), including the policies identified in section 2263(d)(2)(D) of this title, are designed to meet the industrial and technology base policies set forth in section 2261 of this title.

"(f) CIVIL-MILITARY INTEGRATION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to encourage the effective integration of commercial products and processes into Federal Government acquisition practices with respect to the following:

"(1) Expanding the use of commercial specifications in place of Federal Government specifications.

"(2) Increasing the use of commercial manufacturing processes instead of processes specified by the Federal Government.

"(3) Reducing the extent of unique government regulatory requirements relating to accounting and acquisition.

"(4) Identifying and ensuring the effective application by the Department of Defense and the Department of Energy (for national security programs) of research, technologies, products, information, and practices developed by other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(5) Identifying effective mechanisms for transferring technology and related information, to the maximum extent practicable, from the Department of Defense and Department of Energy to other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(6) Ensuring, to the maximum extent practicable, that technology and related information are so transferred.

"(g) DEFENSE CONVERSION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for providing sectors and businesses at least partially dependent economically on national security expenditures with Federal Government assistance to convert from that dependence to economic viability without such dependence.

"(h) TECHNOLOGY AND INDUSTRIAL BASE WORK FORCE GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to enhance the skills and capabilities of the work force, including high performance, high quality, and high flexibility production, in the national defense technology and industrial base.

"(i) MAJOR PROGRAM ACQUISITION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for enhancing the effectiveness of the major defense acquisition program regulations prescribed pursuant to section 2439 of this title.

"(j) ACQUISITION REFORM GUIDANCE.—(1) The plan shall include any recommended legislation that the Council considers appropriate for eliminating any adverse effect of Federal law on the capability of the national defense technology and industrial base to attain the objectives set forth in section 2261 of this title.

"(2) The plan shall provide specific guidance to ensure that maximum use is made of authority to waive regulations or conduct test programs in pursuit of such objectives.

"(k) FUNDING.—The plan shall ensure effective implementation of the guidance issued under this section by establishing funding priorities for each area of guidance identified under subsections (b) through (h) for each of the periods described in section 2263(b)(1)(B) of this title.

"(l) ISSUANCE.—(1) The Secretary of Defense shall provide the annual plan to the Secretaries of the military departments and the heads of the other elements of the Department of Defense not later than the date on which the Secretary provides such officials with the guidance required by section 113(g)(1) of this title. The Secretary of Energy and the Secretary of Commerce shall provide such guidance to appropriate officials within their respective departments.

"(2) The Secretary of Defense shall transmit to Congress, not later than March 31 of each year—

"(A) the plan prepared under this section, including any changes necessary to reflect the budget submitted by the President during that year under section 1105 of title 31; and

"(B) the national defense technology and industrial base assessment prepared pursuant to section 2263 of this title that pertains to such plan and budget.

"(3) The plan and assessment shall be submitted to Congress in classified and unclassified forms. Proprietary information that may be withheld from disclosure under section 552 of title 5 shall be provided only in the classified version.

"§ 2265. National Defense Program for Analysis of the Technology and Industrial Base

"(a) ESTABLISHMENT.—(1) The National Defense Technology and Industrial Base Council shall establish at an entity described in paragraph (3) a program to be known as the 'National Defense Program for Analysis of the Technology and Industrial Base'.

"(2) The Program shall be an element of the defense acquisition university structure established under section 1746 of this title.

"(3) As determined by the Chairman of the Council, the Program shall be administered by —

"(A) an existing federally funded research and development center;

"(B) a consortium of existing federally funded research and development centers and other nonprofit entities; or

"(C) another appropriate private sector research entity.

"(4) The Chairman shall ensure that there is appropriate consultation and coordination between the Program and the Critical Technologies Institute.

"(b) OVERSIGHT COMMITTEE.—The Program shall have an oversight committee composed of 3 members as follows:

"(1) The Under Secretary of Defense for Acquisition, or his designee, who shall serve as Chairman of the operating committee.

"(2) An official designated by the Secretary of Energy.

"(3) An official designated by the Secretary of Commerce.

"(c) MISSIONS.—The missions for the Program shall include, with respect to the national defense technology and industrial base, the following:

"(1) The assembly of timely and authoritative information.

"(2) Initiation of studies and analyses.

"(3) Provision of technical support and assistance to—

"(A) the Council in the preparation of the annual assessment required by section 2263 of this title and the annual plan required by section 2264 of this title;

"(B) the defense acquisition university structure and its elements; and

"(C) other departments and agencies of the Federal Government in accordance with guidance established by the Council.

"(4) Dissemination, through the National Technical Information Service of the Department of Commerce, of unclassified information and assessments for further dissemination within the Federal Government and to the private sector.".

(b) TECHNOLOGY AND INDUSTRIAL BASE PLANNING FOR MAJOR DEFENSE PROGRAMS.—(1) Chapter 144 of title 10, United States Code, is amended by inserting after section 2438 the following new section:

"§ 2439. Major programs: technology and industrial base plans

"(a) ACQUISITION PLAN REQUIREMENTS.—The Secretary of Defense shall prescribe regulations requiring consideration of the national defense technology and industrial base in the development and implementation of acquisition plans for each major defense acquisition program.

"(b) CONTENT OF ACQUISITION PLANS.—The acquisition plan for each major defense acquisition program shall include provisions for the following:

"(1) An analysis of the capabilities of the national defense technology and industrial base to develop, produce, maintain, and support such program, including consideration of the factors set forth in section 2263(c) of this title.

"(2) Consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the program.

"(3) The use of advanced manufacturing technology, processes, and systems during the research and development phase and the production phase of the program.

"(4) To the maximum extent practicable, the use of contract solicitations that encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life-cycle costs.

"(5) Encouragement of investment by United States domestic sources in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment, processes, and organization of work systems that build on workers' skill and experience, and work force skill development in the development of the contract objective; and

"(B) increased emphasis in source selections on the efficiency of production.

"(6) Expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense.

"(7) Elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under Department of Defense contracts.

"(8) Expanded use of commercial products as set forth in section 2325 of this title.".

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 2438 the following new item:

"2439. Major programs: technology and industrial base plans.".

(c) IMPLEMENTATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including milestones for actions, to ensure the timely and thorough collection of information, completion of assessments, and issuance of plans required by the provisions of subchapter I of chapter 135 of title 10, United States Code, as added by subsection (a).

(2)(A) The first annual assessment required by section 2263 of such title shall be completed not later than September 30, 1993.

(B) The first annual plan required by section 2264 of such title shall be completed not later than November 15, 1993.

(C) The Secretary may prescribe regulations authorizing the presentation of information in a preliminary form in the first annual assessment and the first annual plan to the extent that the necessary information cannot reasonably be collected, analyzed, or presented in accordance with section 2263 or 2264, respectively, of title 10, United States Code, by the dates specified in subparagraphs (A) and (B).

(3) The National Defense Technology and Industrial Base Council shall establish the National Defense Center for Analysis of the Technology and Industrial Base not later than 6 months after the date of the enactment of this Act. The Secretary of Defense shall ensure that a contract solicitation is issued and a contract is awarded in a timely manner to facilitate the establishment of the Center within the period set forth in the preceding sentence.

SEC. 802. DEFENSE DUAL-USE TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) DEFENSE DUAL-USE TECHNOLOGIES.—(1) Chapter 135 of title 10, United States Code (as added by section 801(a)), is amended by adding after subchapter II the following:

"SUBCHAPTER II—DUAL-USE TECHNOLOGIES

"Sec.
"2271. Defense dual-use critical technology partnerships.
"2272. Commercial-military integration partnerships.
"2273. Regional technology alliances assistance program.
"2274. Office for Foreign Defense Critical Technology Monitoring and Assessment.
"2275. Overseas foreign critical technology monitoring and assessment financial assistance program.
"2276. Encouragement of technology transfer.".

(2) Section 2523 of title 10, United States Code, (relating to defense dual-use critical technology partnerships) is—

(A) transferred to subchapter II of chapter 135 of such title (as added by paragraph (1));

(B) inserted following the table of sections; and

(C) redesignated as section 2271.

(3) Subchapter II of such chapter, as added by paragraph (1) and amended by paragraph (2), is further amended by inserting after section 2271 the following new section:

"§ 2272. Commercial-military integration partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense shall conduct a program providing for the establishment of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between the Department of Defense and entities referred to in section 2271(b) of this title in order to encourage and provide for research, development, and application of technologies to attain the national defense technology and industrial base objectives set forth in section 2261 of this title.

"(b) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, and enter into cooperative agreements and other transactions pursuant to section 2371 of this title in order to establish the partnerships.

"(2) The Secretary may not enter into a partnership under this section for a period longer than 5 years.

"(3) The Secretary may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section, subject to the limitations in subsection (c).

"(c) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Secretary under a partnership does not exceed maximum authorized percentage of the total cost of partnership activities.

"(2) The maximum authorized percentage of Federal Government funding referred to in paragraph (1) for each year of a partnership is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third year.

"(D) 20 percent in the fourth year.

"(E) 10 percent in the fifth year.

"(3)(A) The Secretary shall prescribe regulations to provide for consideration of in-kind contributions by non-Federal Government participants in a partnership for the purpose of determining the share of the partnership costs that has been or is being undertaken by such participants.

"(B) The regulations shall also ensure that the in-kind contributions of nonprofit institutions and small businesses are considered included, to the maximum extent practicable, in the non-Federal Government share of the cost of the partnership.

"(d) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(e) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the following:

"(1) The extent to which the program proposed to be conducted by the partnership advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program proposed to be conducted by the partnership.

"(3) The qualifications of the personnel proposed to participate in the partnership's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(5) The potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for the industrial and technology base.

"(6) The extent of the financial commitment of the eligible firms to the proposed partnership.

"(7) The likelihood that the partnership will develop technologies that are sufficiently viable in the commercial sector so that such technologies will be available to meet the future reconstitution requirements and other needs of the Department of Defense described in the annual national defense technology and industrial base plan prepared under section 2264 of this title.

"(8) The likelihood that, within 5 years after the establishment of the partnership (or a lesser period established by the Secretary), Federal Government funding of the partnership will not be necessary.

"(9) Such other criteria as the Secretary prescribes.

"(f) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense and the Under Secretary of Defense for Acquisition, the Director of Defense Research and Engineering shall perform the duties of the Secretary of Defense under this section.".

(4) Section 2524 of title 10, United States Code (relating to critical technology application centers) is—

(A) transferred to subchapter II of chapter 135, as added by paragraph (1) and amended by paragraphs (2) and (3);

(B) inserted at the end of that subchapter; and

(C) amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2273. Regional technology alliances assistance program";

(ii) by striking out "regional critical technology application centers" in subsection (a) and inserting in lieu thereof "regional technology alliances";

(iii) by striking out "regional critical technology application center" in subsection (b) and inserting in lieu thereof "regional technology alliance";

(iv) by striking out "critical technology application center" and "center" each time such terms appear and inserting in lieu thereof "regional technology alliance"; and

(v) by striking out "2523" in subsection (g) and inserting in lieu thereof "2271".

(5) Section 2525 of title 10, United States Code (relating to the Office for Foreign Defense Critical Technology Monitoring and Assessment), and section 2526 of such title (relating to the overseas foreign critical technology monitoring and assessment financial assistance programs) are—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (2) through (4);

(B) inserted at the end of that subchapter; and

(C) redesignated as sections 2274 and 2275, respectively.

(6) Subsection (a) of section 2274 of such title (as redesignated by paragraph (5)) is amended by inserting "Critical" after "Foreign Defense".

(7) Section 2363 of title 10, United States Code (relating to encouragement of technology transfer), is—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (1) through (5);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2276.

(b) FUNDING.—Of the amounts authorized to be appropriated under section 201—

(1) $100,000,000 shall be available for defense dual-use critical technology partnerships;

(2) $50,000,000 shall be available for commercial-military integration partnerships;

(3) $100,000,000 shall be available for defense regional technology alliances; and

(4) $2,000,000 shall be available for the overseas critical technology monitoring and assessment financial assistance program.

SEC. 803. ESTABLISHMENT OF OFFICE OF TECHNOLOGY TRANSITION.

(a) ESTABLISHMENT.—(1) Subchapter II of chapter 135 of title 10, United States Code (as added by section 802), is amended by adding at the end the following:

"§ 2277. Office of Technology Transition

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish within the Office of the Secretary of Defense an Office of Technology Transition.

"(b) PURPOSE.—The purpose of the Office shall be to ensure, to the maximum extent practicable, that technology developed for national security purposes is integrated into the private sector of the United States in order to enhance the national defense technology and industrial base.

"(c) SPECIFIC DUTIES.—The head of the Office shall ensure that the Office—

"(1) monitors all research and development activities that are carried out by or for the military departments and Defense Agencies, including research and development that is conducted by or for—

"(A) the Strategic Defense Initiative Organization;

"(B) the Advanced Research Projects Agency; and

"(C) the Defense Nuclear Agency;

"(2) identifies all such research and development activities that use technologies, or result in technological advancements, having potential nondefense commercial applications;

"(3) serves as a clearinghouse for, coordinates, and otherwise actively facilitates the transition of such technologies and technological advancements from the Department of Defense to the private sector;

"(4) conducts its activities in consultation and coordination with the Department of Energy; and

"(5) provides private firms with assistance to resolve problems associated with security clearances, proprietary rights, and other legal considerations involved in such a transition of technology.

"(d) REPORTING REQUIREMENT.—The Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives an annual report on the activities of the Office at the same time that the budget is submitted to Congress by the President pursuant to section 1105 of title 31. The report shall contain a discussion of the accomplishments of the Office during the fiscal year preceding the fiscal year in which the report is submitted.".

(2) The table of sections at the beginning of subchapter II of such chapter (as added by section 802) is amended by inserting after the item relating to section 2276 the following:

"2277. Office of Technology Transition.".

(b) SCHEDULE FOR ESTABLISHMENT.—The Office of Technology Transition shall commence operations within 180 days after the date of the enactment of this Act.

(c) REPORTING REQUIREMENTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the establishment of the Office of Technology Transition. The report shall contain a description of the organization of the Office, the staffing of the Office, and the activities undertaken by the Office.

(2) Notwithstanding section 2277(d) of title 10, United States Code (as added by subsection (a))—

(A) the first report under that section shall be submitted not later than 1 year after the date of the enactment of this Act; and

(B) no additional report is necessary under that section in the fiscal year in which such first report is submitted.

SEC. 804. DEFENSE DUAL-USE MANUFACTURING TECHNOLOGY PROGRAMS.

(a) NATIONAL DEFENSE MANUFACTURING TECHNOLOGY PROGRAM.—(1) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802 and 803, is further amended by adding after subchapter II the following new subchapter:

"SUBCHAPTER III—MANUFACTURING TECHNOLOGY

"Sec.
"2281. National Defense Manufacturing Technology Program.
"2282. Defense advanced manufacturing technology partnerships.
"2283. Manufacturing extension programs.

"§ 2281. National Defense Manufacturing Technology Program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish a National Defense Manufacturing Technology Program to—

"(1) provide centralized guidance and direction, including goals, milestones, and priorities, to the military departments and the Defense Agencies on all matters relating to manufacturing technology;

"(2) direct the development and implementation of Department of Defense plans, programs, projects, activities, and policies that promote the development and application of advanced technologies to manufacturing processes, tools, and equipment;

"(3) improve the manufacturing quality, productivity, technology, and practices of businesses and workers providing goods and services to the Department of Defense;

"(4) promote dual-use manufacturing processes;

"(5) disseminate to such businesses information concerning improved manufacturing improvement concepts, including information on such matters as best manufacturing practices, product data exchange specifications, computer-aided acquisition and logistics support, and rapid acquisition of manufactured parts;

"(6) sustain and enhance the skills and capabilities of the manufacturing work force;

"(7) promote high-performance work systems, with development and dissemination of production technologies that build upon the skills and capabilities of the work force, high levels of worker education and training, and work force participation in the evaluation, selection, and implementation of new production technologies; and

"(8) ensure appropriate coordination between the manufacturing technology programs and industrial preparedness programs of the Department of Defense and similar programs undertaken by other departments and agencies of the Federal Government or by the private sector.

"(b) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE PLAN.—The Secretary shall ensure that the program is developed and implemented in accordance with the manufacturing technology guidance set forth in the national defense technology and industrial base plan prepared under section 2264 of this title.

"(c) ANNUAL REVISIONS.—The Secretary shall revise the program not later than March 15 of each year. Each revision shall identify each manufacturing technology program, project, or activity of the Department of Defense and the amounts provided for each such program, project, and activity in the budget submitted by the President under section 1105 of title 31 for the fiscal year beginning in that year.

"(d) PROGRAM LIMITATION.—A manufacturing technology program, project, or activity of the Department of Defense may be conducted only to the extent provided for in the National Defense Manufacturing Technology Program. However, such a program, project, or activity may be conducted in excess of the limitation in the preceding sentence if it is designated by the Secretary of Defense as a higher priority matter.

"(e) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.".

(2) Section 203(d) of the National Defense Authorization Act for Fiscal Year 1992 and 1993 (Public Law 102-190; 105 Stat. 1315) is repealed.

(b) DEFENSE ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.—(1) Section 2518 of title 10, United States Code (relating to defense advanced manufacturing technology partnerships), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1);

(B) inserted at the end of that subchapter;

(C) redesignated as section 2282; and

(D) amended in subsection (d)(1) by striking out "section 2523(f)" and inserting in lieu thereof "section 2271(f)".

(2) Of the amounts made available pursuant to section 203(4), $25,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2282 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(c) MANUFACTURING TECHNOLOGY EXTENSION PROGRAMS.—(1) Section 2517 of title 10, United States Code (relating to manufacturing extension programs), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1) and amended by subsection (b);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2283.

(2) Of the amounts authorized to be appropriated under section 201, $100,000,000 shall be available for support of manufacturing technology extension programs under section 2283 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(d) DEFENSE MANUFACTURING ENGINEERING EDUCATION PROGRAM.—Of the amounts authorized to be appropriated under section 201, $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of title 10, United States Code.

(e) DEFENSE MANUFACTURING EXPERTS IN THE CLASSROOM PROGRAM.—(1)(A) Section 2197 of title 10, United States Code, is amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2197. Manufacturing experts in the classroom";

(ii) in subsection (a), by striking out "managers and" in the matter above paragraph (1); and

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

"(e) MANUFACTURING EXPERT DEFINED.—In this section, the term 'manufacturing expert' means manufacturing managers and workers having experience in the organization of production and education and training needs and other experts in manufacturing.".

(B) The table of sections at the beginning of chapter 111 of such title is amended by striking out the item relating to section 2197 and inserting in lieu thereof the following:

"2197. Manufacturing experts in the classroom.".

(2) Of the amounts authorized to be appropriated under section 201, $5,000,000 shall be available for the manufacturing experts in the classroom program under section 2197 of title 10, United States Code.

SEC. 805. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE DUAL-USE ASSISTANCE EXTENSION PROGRAMS.

(a) EXTENSION PROGRAMS.—Chapter 135 of title 10, United States Code, as added by section 801(a) and as amended by sections 802, 803, and 804, is further amended by adding at the end the following:

"SUBCHAPTER IV—MISCELLANEOUS TECHNOLOGY BASE POLICIES AND PROGRAMS

"Sec.
"2291. Defense dual-use assistance extension program.
"2292. Defense Industrial Reserve.

"§ 2291. Defense dual-use assistance extension program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Energy and the Secretary of Commerce, shall establish a program to achieve the national defense technology and industrial base objectives set forth in section 2261 of this title by providing support to entities referred to in subsection (b) for programs described in that subsection.

"(b) PROGRAMS SUPPORTED.—The Secretary may provide support under this section for programs sponsored by the Federal Government, regional entities, States, local governments, and private entities and nonprofit organizations that assist firms whose businesses and workers economically dependent on Department of Defense expenditures to acquire dual-use capabilities through the provision under those programs of the following services:

"(1) Assistance in converting from government-oriented management, production, training, business planning, and marketing practices to commercial practices.

"(2) Assistance in making improvements necessary for conversion to commercial markets and practices and in acquiring and using public and private sector resources, literature, and other information concerning—

"(A) research, development, and production processes and practices;

"(B) identification and development of technologies and products having the potential for defense and nondefense commercial applications;

"(C) marketing practices and opportunities;

"(D) identification of potential suppliers, partners, and subcontractors;

"(E) identification of opportunities for government support, including support through grants, contracts, partnerships and consortia;

"(F) enhancement of work force skills and capabilities, including development and introduction of high performance workplace systems, employee and participative management systems, workforce literacy programs, programs to encourage employee ownership, worker education and training, work force participation in the evaluation, selection, and implementation of new production technologies; and

"(G) trade and export assistance.

"(c) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, enter into cooperative agreements and other transactions pursuant to section 2371 of this title, and transfer funds to another department or agency of the Federal Government in carrying out this section.

"(2) Subject to subsection (d), the Secretary may provide a program referred to in subsection (b) with technical and other assistance.

"(d) FINANCIAL COMMITMENT OF NON-DEPARTMENT OF DEFENSE PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Department of Defense for a program under this section does not exceed the maximum authorized percentage of the combined amount provided by the Department of Defense and all other sources of funding for the program for any year.

"(2) The maximum authorized percentage of Department of Defense funding referred to in paragraph (1) for each year of Department of Defense assistance for a program under this section is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third and following years.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the selection of programs to receive assistance under this section.

"(f) SELECTION CRITERIA.—The criteria for the selection of a program to receive assistance under this section shall include the following:

"(1) The extent to which the program advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program.

"(3) The qualifications of the personnel proposed to participate in the program's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities that is sufficient to achieve the goals and objectives of the programs.

"(5) The potential effectiveness of the program in the conversion of businesses, including their work forces from capabilities that make the companies economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

"(6) The ability of the program to assist businesses, including their work forces, adversely affected by significant reductions in Department of Defense spending.

"(7) The extent of the financial commitment by sources other than the Department of Defense.

"(8) The extent to which the program would supplement, rather than duplicate, other available services.

"(9) The likelihood that, within 5 years after the commencement of assistance for a program under this section (or a lesser period established by the Secretary), Department of Defense assistance will not be necessary to sustain the program.

"(10) Such other criteria as the Secretary prescribes.

"(g) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.

"(h) TERMINATION OF AUTHORITY.—This section shall cease to be effective on September 30, 1997.".

(b) FUNDING.—(1) Of the amounts authorized to be appropriated under section 201, $200,000,000 shall be available for defense dual-use extension programs under section 2291 of title 10, United States Code (as added by subsection (a)), of which not less than $50,000,000 shall be made available to regional, State, and local government programs.

(2) Of funds authorized to be appropriated to the Department of Defense for fiscal year 1993 by this Act, the Secretary may transfer not more than $50,000,000 to the appropriations made available for the support of defense dual-use extension programs under such section 2291. Amounts so transferred shall be merged with, and be available for the same purpose and the same period as, the appropriations to which transferred. The authority to transfer funds under this paragraph is in addition to any other transfer authority provided for the Secretary of Defense under this or any other Act.

SEC. 806. ADDITIONAL STATUTORY REORGANIZATION.

(a) TECHNOLOGY AND INDUSTRIAL BASE AMENDMENTS.—(1)(A) Subchapter IV of chapter 135 of title 10, United States Code, as added by section 805, is amended by adding at the end, without text, the following new section:

"§ 2292. Defense Industrial Reserve".

(B) The text of section 2 of the Defense Industrial Reserve Act (50 U.S.C. 451) is—

(i) transferred to section 2292;

(ii) inserted below the section heading; and

(iii) amended by striking out "In enacting this Act, it" and inserting in lieu thereof the following: "(a) DECLARATION OF PURPOSE AND POLICY.—It".

(C) The text of section 4 of that Act (50 U.S.C. 453) is—

(i) transferred to section 2292;

(ii) inserted following subsection (a), as designated in the amendment made by subparagraph (B)(iii); and

(iii) amended—

(I) by striking out "(a) To execute the policy set forth in this Act," and inserting in lieu thereof the following: "(b) POWERS AND DUTIES OF THE SECRETARY OF DEFENSE.—(1) To execute the policy set forth in this section,";

(II) by striking out "(1) determine" and inserting in lieu thereof "(A) determine";

(III) by striking out "(2) designate" and inserting in lieu thereof "(B) designate";

(IV) by striking out "(3) establish" and inserting in lieu thereof "(C) establish";

(V) by striking out "(4) direct" and inserting in lieu thereof "(D) direct";

(VI) by striking out "(5) direct" and inserting in lieu thereof "(E) direct";

(VII) by striking out "(6) authorize" and inserting in lieu thereof "(F) authorize";

(VIII) by striking out "(7) authorize" and all that follows through "(B) such institution" and inserting in lieu thereof "(G) authorize and regulate the lending of any such property to any nonprofit educational institution or training school whenever (i) the program proposed by such institution or school for the use of such property will contribute materially to national defense, and (ii) such institution";

(IX) by striking out "(b)(1) The Secretary" and inserting in lieu thereof "(2)(A) The Secretary";

(X) by striking out "(A) storage" and inserting in lieu thereof "(i) storage";

(XI) by striking out "(B) repair" and inserting in lieu thereof "(ii) repair";

(XII) by striking out "(C) overhead" and inserting in lieu thereof "(iii) overhead"; and

(XIII) by striking out "(2) The Secretary of Defense shall prescribe regulations" and inserting in lieu thereof "(B) The Secretary of Defense shall prescribe regulations".

(D) The text of section 3 of that Act (50 U.S.C. 452) is—

(i) transferred to section 2292;

(ii) inserted following subsection (b), as designated in the amendment made by subparagraph (C)(iii)(I); and

(iii) amended by striking out "As used in this Act—" and inserting in lieu thereof "(c) DEFINITIONS.—In this section:".

(2)(A) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802, 803, 804, and 805 and by paragraph (1), is further amended by inserting at the end the following subchapter:

"SUBCHAPTER V—DEFINITIONS

"Sec.

"2300. Definitions.

"§ 2300. Definitions

"In this chapter:

"(1) The term 'national defense technology and industrial base' means the persons and organizations that are engaged in research, development, production, or maintenance activities the majority of which are conducted within the United States and Canada.

"(2) The term 'dual-use' with respect to products, services, standards, processes, or acquisition practices, means products, services, standards, processes, or acquisition practices, respectively, that are capable of meeting requirements for private sector commercial acquisitions as well as public sector acquisitions.

"(3) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(4) The terms 'technology and industrial base sector' and 'sector' mean a group of public or private persons and organizations that engage in, or are capable of engaging in, similar research, development, or production activities.

"(5) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(6) The term 'critical technology' means a technology that is—

"(A) a national critical technology; or

"(B) a defense critical technology.

"(7) The term 'national critical technology' means a technology that appears on the list of national critical technologies contained in the most recent biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)).

"(8) The term 'defense critical technology' means a technology that appears on the list of critical technologies contained, pursuant to subsection (f) of section 2263 of this title, in the most recent national defense technology and industrial base assessment submitted to Congress by the Secretary of Defense pursuant to section 2264(l) of this title.

"(9) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.

Such term includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(10) The term 'manufacturing technology' means techniques and processes designed to improve manufacturing quality, productivity, and practices, including quality control, shop floor management, inventory management, and worker training, as well as manufacturing equipment and software.

"(11) The term 'manufacturing extension program' means a public or private, nonprofit program for the improvement of the quality, productivity, and performance of United States-based small manufacturing firms in the United States.

"(12) The term 'United States-based small manufacturing firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees; and

"(C) is an eligible firm.".

(B) Until the first annual national defense technology and industrial base assessment is submitted to Congress by the Secretary of Defense pursuant to section 2264(l) of title 10, United States Code (as added by section 801(a)), the reference to the most recent such assessment in section 2300(8) of such title (as added by subparagraph (A)) shall be deemed to refer to the most recent annual critical defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of such title as in effect on the date of the enactment of this Act.

(3) The annual national defense technology and industrial base assessment submitted to Congress pursuant to section 2264(l) of title 10, United States Code (as added by section 801(a)), during each year through 1995 shall include a specific assessment of the capability of the domestic textile and apparel industrial base of the United States to support national defense mobilization requirements. Each such assessment shall include the following:

(A) An identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by domestic industries.

(B) An assessment of the effect that any inadequacy in the textile and apparel industrial base would have on a mobilization.

(C) Recommendations for ways to alleviate any such inadequacy that the Secretary considers critical to national defense mobilization requirements.

(b) CONFORMING REORGANIZATION OF TITLE 10.—(1) Part IV of subtitle A of title 10, United States Code, is amended—

(A) by redesignating the chapter 135 (relating to encouragement of aviation) in effect on the day before date of the enactment of this Act as chapter 151; and

(B) by transferring such chapter, as so redesignated, within part IV of such subtitle so as to appear in sequence immediately before chapter 152.

(2) Such chapter is amended as follows:

(A) Sections 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, and 2279 are redesignated as 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, and 2539, respectively.

(B) Subsection (a) of section 2532, as so redesignated, is amended by striking out "section 2271" and inserting in lieu thereof "section 2531".

(C) Subsection (a) of section 2533, as so redesignated, is amended by striking out "section 2272" and inserting in lieu thereof "section 2532".

(D) Subsection (b) of section 2534, as so redesignated, is amended by striking out "sections 2272(f) and 2279 of this title but are not subject to section 2271(a)–(d) and 2272(a)" and inserting in lieu thereof "sections 2532(f) and 2539 of this title but are not subject to section 2531(a)–(d) and 2532(a)".

(c) TRANSFERS OF SECTIONS.—(1) Section 2504 of title 10, United States Code, is—

(A) transferred to subchapter II of chapter 138 of such title;

(B) inserted at the end of that subchapter;

(C) redesignated as 2350j; and

(D) amended in subsection (a)(1) by striking out "defense industrial base" and inserting in lieu thereof "defense technology and industrial base".

(2) Section 2505 of such title is—

(A) transferred to chapter 141 of such title, as amended by section 363 of this Act;

(B) inserted at the end of that chapter; and

(C) redesignated as section 2410d.

(3) Section 2507 of such title is—

(A) transferred to chapter 141 of such title, as amended by paragraph (2);

(B) inserted at the end of that chapter; and

(C) amended—

(i) by striking out subsection (c); and

(ii) by striking out the section heading and inserting in lieu thereof the following:

"§ 2410e. Miscellaneous limitations on the procurement of goods other than United States goods".

(4)(A) Section 2506 of such title is amended—

(i) in subsection (a)—

(I) by striking out "(a) Funds" and inserting in lieu thereof "(c) PROCUREMENT OF NON-AMERICAN GOODS GENERALLY.—(1) Funds";

(II) by striking out "(as defined in subsection (c))" in the matter above paragraph (1); and

(III) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively;

(ii) in subsection (b), by striking out "(b) Consideration of the matters referred to in paragraphs (1) through (6) of subsection (a)" and inserting in lieu thereof "(2) Consideration of the matters referred to in subparagraphs (A) through (F) of paragraph (1)"; and

(iii) in subsection (c)—

(I) by striking out "(c) In this section," and inserting in lieu thereof "(3) In this subsection,"; and

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

(B) The text of such section, as so amended, is transferred to section 2410e of title 10, United States Code, as added by paragraph (3), and is inserted following subsection (b) of that section.

(d) CONFORMING REPEALS.—(1) Section 2330 of title 10, United States Code, is repealed.

(2)(A) Part IV of subtitle A of such title is amended by striking out chapters 148, 149, and 150.

(B) The tables of chapters at the beginning of subtitle A of such title and part IV of such subtitle are amended by striking out the items relating to chapters 148, 149, and 150.

(3) The Defense Industrial Reserve Act (50 U.S.C. 450 et seq.) is repealed.

(e) TABLES OF SECTIONS.—(1) The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2330.

(2) The table of sections at the beginning of subchapter II of chapter 138 of such title is amended by adding at the end the following:

"2350j. Defense memoranda of understanding and related agreements.".

(3) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2363.

(4) The table of sections at the beginning of chapter 141 of such title, as amended by section 363 of this Act, is further amended by adding at the end the following:

"2410d. Offset policy: notification.

"2410e. Miscellaneous limitations on the procurement of goods other than United States goods.".

SEC. 807. SMALL BUSINESS INNOVATION RESEARCH PROGRAM IN THE DEPARTMENT OF DEFENSE.

(a) AMOUNTS AVAILABLE.—For each fiscal year after fiscal year 1993, funds authorized to be appropriated to a military department or a Defense Agency of the Department of Defense for research, development, test and evaluation shall be available for research activities and for research and development activities under the Small Business Innovation Research Program in amounts as follows:

(1) For fiscal year 1993, 1.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(2) For fiscal year 1994, 2 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(3) For fiscal year 1995, and each fiscal year thereafter, 2.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(b) LIMITATION ON PROGRAM AWARDS.—Amounts paid to a small business concern by the Department of Defense under the Small Business Innovation Research Program for a project—

(1) in phase I under the program may not exceed $100,000; and

(2) in phase II under the program may not exceed $750,000.

(c) COMMERCIAL APPLICATIONS STRATEGY.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Administrator of the Small Business Administration, shall develop and issue a strategy for effectuating the transition of successful projects under the Small Business Innovation Research Program from phase II under the program into phase III under the program.

(d) PROGRAM MANAGEMENT.—The Director of Defense Research and Engineering and the Director of the Office of Small and Disadvantaged Business Utilization of the Department of Defense shall be responsible for the participation of the military departments and Defense Agencies in the Small Business Innovation Research Program.

(e) EXTENSION OF PROGRAM.—Section 5 of Public Law 97-219 (15 U.S.C. 638 note) is amended—

(1) by striking out "Effective October 1, 1993, paragraphs" and inserting in lieu thereof "Paragraphs"; and

(2) by striking out "are repealed" and inserting in lieu thereof "shall cease to be effective with respect to departments and agencies of the Federal Government other than the Department of Defense on October 1, 1993, and are repealed effective October 1, 2000".

(f) DEFINITIONS.—In this section:

(1) The term "Small Business Innovation Research Program" means the Small Business Innovation Research Program carried out pursuant to paragraphs (4) through (7) of subsection (b) of section 9 of the Small Business Act (15 U.S.C. 638) and subsections (e) through (k) of such section.

(2) The term "extramural budget" has the meaning given that term in subsection (e)(1) of such section.

(3) The term "phase I", with respect to the Small Business Innovation Research Program, means the first phase described in subsection (e)(4)(A) of such section.

(4) The term "phase II", with respect to the Small Business Innovation Research Program, means the second phase described in subsection (e)(4)(B) of such section.

(5) The term "phase III", with respect to the Small Business Innovation Research Program, means the third phase described in subsection (e)(4)(C) of such section.

(g) EFFECTIVE DATE AND APPLICABILITY.—This section shall take effect on October 1, 1992.

SEC. 808. DUAL-USE DEFENSE CONVERSION PRIORITY.

During fiscal year 1993, the Secretary of Defense shall give priority in the allocation of funds under subchapters II, III, and IV of chapter 135 of title 10, United States Code (as added by sections 802 through 805) and the Small Business Innovation Research Program referred to in section 807, to the maximum extent practicable, to programs, projects, and activities that provide significant assistance for converting the capabilities of businesses that are economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

SEC. 809. STATUTORY CHARTER FOR THE ADVANCED RESEARCH PROJECTS AGENCY.

(a) STATUTORY CHARTER.—(1) Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following:

"§ 203. Advanced Research Projects Agency

"(a) IN GENERAL.—The Advanced Research Projects Agency is a Defense Agency.

"(b) DIRECTOR.—(1) The head of the agency is the Director.

"(2) The Director is appointed by the President, by and with the advice and consent of the Senate. The Secretary of Defense shall recommend persons for appointment to the position of Director.

"(3) Subject to the authority, direction, and control of the Secretary of Defense, the Director shall perform the functions and duties provided in subsection (d).

"(c) DEPUTY DIRECTOR.—(1) There is a Deputy Director of the agency who is appointed by the Director with the approval of the Secretary of Defense.

"(2) The Deputy Director shall perform such duties and exercise such authority as may be prescribed by the Director with the approval of the Secretary of Defense.

"(3) When there is a vacancy in the office of Director or in the absence or disability of the Director, the Deputy Director shall act as Director and perform the duties, and exercise the authority, of the Director until a successor is appointed or the absence or disability ceases.

"(d) FUNCTIONS AND DUTIES.—(1) The Advanced Research Projects Agency is the central research and development organization of the Department of Defense. It is a primary responsibility of the agency to maintain the technological superiority of the United States over the potential adversaries of the United States.

"(2) The agency shall—

"(A) together with United States industry, Federal laboratories, and colleges and universities, pursue—

"(i) imaginative and innovative research and development projects having significant potential for both military and commercial applications; and

"(ii) imaginative and innovative research and development projects having significant potential solely for military applications;

"(B) support and stimulate a national technology base that—

"(i) serves both civilian and military purposes through enhanced technology sharing and otherwise; and

"(ii) by so serving both purposes, increases the productivity of both the civilian and military sectors;

"(C) manage and direct the conduct of basic and applied research and development that exploits scientific breakthroughs and demonstrates the feasibility of revolutionary approaches for improved cost and performance of advanced technology having future military applications, including advanced technology also having future civilian applications; and

"(D) stimulate increased emphasis on prototyping in defense systems and subsystems—

"(i) by conducting prototype projects embodying technology that might be incorporated in joint programs, programs in support of deployed forces, or selected programs of the military departments; and

"(ii) on request of the Secretary of a military department, by assisting that military department in any prototyping program of the military department.

"(3) The agency may, when requested and supported by a department or agency of the Federal Government not primarily involved in the performance of national security functions, manage and direct the conduct of basic and applied research and development of any other advanced technology that can be applied to increase the capability of that department or agency to attain mission objectives of the department or agency.

"(e) OTHER DUTIES.—The agency shall perform any additional duties that the Secretary of Defense assigns.".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by inserting at the end the following:

"203. Advanced Research Projects Agency.".

(b) RELATED AND OTHER DEFENSE RESEARCH AMENDMENTS.—(1)(A) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(B) Section 5316 of such title is amended by striking out the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(2)(A) Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Director of Defense Research and Engineering, Department of Defense.".

(B) Section 5315 of such title is amended by striking out the following:

"Director of Defense Research and Engineering.".

(3) Section 101(44)(B) of title 10, United States Code, is amended by inserting "by law or" after "designated".

(4) Section 2371(a) of such title is amended by striking out "Defense Advanced Research Projects Agency" and inserting in lieu thereof "Advanced Research Projects Agency".

(c) REFERENCE IN OTHER LAW.—Any reference in any other law to the Defense Advanced Research Projects Agency shall be deemed to refer to the Advanced Research Projects Agency.

SEC. 810. INDUSTRIAL DIVERSIFICATION PLANNING FOR DEFENSE CONTRACTORS.

(a) INCENTIVES.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations to encourage defense contractors to engage in industrial diversification planning.

(2) Such regulations shall include—

(A) treatment of industrial diversification planning expenditures as allowable costs under Department of Defense contracts,

(B) treatment of industrial diversification research and development activities as permissible independent research and development expenditures, and

(C) such other incentives as the Secretary of Defense deems appropriate to encourage defense contractors to engage in industrial diversification planning.

(b) DEFINITION.—For purposes of this section, the term "industrial diversification" means conversion from government-oriented management, production, training, and marketing practices to practices that are compatible with the commercial marketplace.

SEC. 810A. CLARIFICATION OF PARTICIPANTS IN DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.

Section 2271(b) of title 10, United States Code (as redesignated by section 802(a)(2)), is amended by inserting "government-owned and operated industrial facilities," after "Federal laboratory or laboratories".

Subtitle B—Acquisition Assistance Programs

SEC. 811. SMALL BUSINESS ADMINISTRATION CERTIFICATE OF COMPETENCY PROGRAM.

Section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) is amended by striking out the sentence following subparagraph (C) and inserting in lieu thereof the following:

"In the case of a contract entered into pursuant to the provisions of chapter 137 of title 10, United States Code, other than pursuant to simplified procedures referred to in section 2304(g) of such title, the Government procurement officer entering into the contract is not required to refer a determination of nonresponsibility made by that officer to the Administration unless the small business concern requests a determination of its responsibility, and the issuance of a certificate of responsibility, by the Administration. The solicitation for the contract shall contain a notice of the right of a small business concern to request the Administration to make a determination of its responsibility. For the purposes of that contract, the Administration is not required to process a request for certification of responsibility of a small business concern that is not submitted by that small business concern.".

SEC. 812. TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

(a) EXTENSION OF PROGRAM.—Subsection (e) of section 834 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (15 U.S.C. 637 note) is amended by striking out "September 30, 1993" in the second sentence and inserting in lieu thereof "September 30, 1994".

(b) FISCAL YEAR 1994 PARTICIPANTS.—Such section is amended—

(1) by redesignating subsection (g) as subsection (h); and

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

"(g) FISCAL YEAR 1994 PARTICIPANTS.—Only those contracting activities and contractors who negotiated subcontracting plans under demonstration projects conducted under the test program before October 1, 1993, may participate in demonstration projects conducted under the test program in fiscal year 1994.".

SEC. 813. EXTENSION OF TEST PROGRAM OF CONTRACTING FOR PRINTING-RELATED SERVICES FOR THE DEPARTMENT OF DEFENSE.

(a) EXTENSION OF AUTHORITY.—Section 843(e) of the National Defense Authorization Act, Fiscal Year 1989 (44 U.S.C. 502 note) is amended by striking out "October 1, 1993" and inserting in lieu thereof "October 1, 2000".

(b) SECTION HEADING.—The heading of section 843 of such Act is amended to read as follows:

"SEC. 843. CONTRACT GOAL FOR DISADVANTAGED SMALL BUSINESSES IN PRINTING-RELATED SERVICES.".

SEC. 814. CONTRACT GOAL FOR DISADVANTAGED SMALL BUSINESSES AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.

(a) EXTENSION OF REQUIREMENT.—Section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note) is amended—

(1) in subsection (a), by striking out "and 1993" and inserting in lieu thereof "1993, 1994, 1995, 1996, 1997, 1998, 1999, and 2000"; and

(2) by striking out subsection (h).

(b) ACTIONS TO ATTAIN GOAL.—Subsection (e) of such section is amended—

(1) in the matter above paragraph (1), by striking out "subsection (a)—" and inserting in lieu thereof "subsection (a):";

(2) in paragraph (1), by striking out the period at the end and inserting in lieu thereof the following: "and shall actively monitor and assess the progress of the military departments, Defense Agencies, and prime contractors of the Department of Defense in attaining such goal. In making the assessment, the Secretary shall evaluate the extent to which use of the authority provided in paragraphs (2) and (3) and compliance with the requirement in paragraph (4) is effective for facilitating the attainment of the goal."; and

(3) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

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

"(B) Under procedures prescribed by the Secretary of Defense, a person may request the Secretary to determine whether the use of small disadvantaged business set asides by a contracting activity of the Department of Defense has caused a particular industry category to bear a disproportionate share of the progress made toward attainment of the goal established for that contracting activity for the purposes of this section. Upon making a determination that there has been that result, the Secretary shall take appropriate actions to limit the contracting activity's use of set asides in awarding contracts in that particular industry category.".

(c) CONTINUED ACCESS TO BUSINESS OPPORTUNITIES.—(1) Notwithstanding the regulations implementing section 806 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (10 U.S.C. 2301 note), a contract to furnish products or services to the Department of Defense shall be entered into in accordance with the requirements and the authority provided in section 1207(e) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note) if—

(A) there is a reasonable expectation of receiving offers from 2 or more eligible small business concerns that have the capability to perform the contract; and

(B) on the date of the issuance of the solicitation for such contract, a graduate of the minority small business and capital ownership development program authorized under section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)) is furnishing the same (or substantially similar) products or services to the Department of Defense under a contract awarded pursuant to section 8(a) of that Act (15 U.S.C. 637(a)).

(2) The amendment made by paragraph (1) shall apply with respect to solicitations for contracts that are issued on or after the date 90 days after the date of the enactment of this Act.

(d) SECTION HEADING.—The heading for such section is amended to read as follows:

"SEC. 1207. CONTRACT GOAL FOR DISADVANTAGED SMALL BUSINESSES AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.".

(e) FUNDING.—Of the amounts authorized to be appropriated for fiscal year 1993 pursuant to title II of this Act, $15,000,000 shall be available for such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 1207(c)(3) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note).

SEC. 815. PILOT MENTOR-PROTEGE PROGRAM.

(a) FUNDING.—Of the amounts authorized to be appropriated for fiscal year 1993 pursuant to title I of this Act, $55,000,000 shall be available for the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note).

(b) MAJOR DEFENSE ACQUISITION PROGRAMS.—Of the amount provided in subsection (a), $25,000,000 shall be available for the direct reimbursement of developmental assistance costs incurred by mentor firms under major defense acquisition programs (as defined in section 2430 of title 10, United States Code) in the participation of such firms in the pilot Mentor-Protege Program.

(c) REGULATIONS.—(1) Congress finds that the Secretary of Defense—

(A) has not published the Department of Defense policy for the pilot Mentor-Protege Program as required by the amendment made to section 831(k) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) by section 814(b)(4) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1425); and

(B) has not prescribed regulations for the reimbursement of the costs a mentor firm may incur under section 831(g)(2) of that Act.

(2) Congress expects the Secretary of Defense to publish the policy and prescribe the regulations.

(3) Within 15 days after the date of the enactment of this Act, the Secretary shall publish in the Department of Defense Supplement to the Federal Acquisition Regulation the Department of Defense policy for the pilot Mentor-Protege Program and the regulations, directives, and administrative guidance pertaining to such program as such policy, regulations, directives, and administrative guidance existed on December 6, 1991. Proposed modifications to that policy and any amendments of the matters published pursuant to the preceding sentence that are proposed in order to implement any of the amendments made by this section shall be published for public comment within 60 days after the date of the enactment of this Act and shall be published in final form within 120 days after such date.

(d) DETERMINATIONS OF ELIGIBILITY.—Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended by adding at the end the following new subsections:

"(o) ELIGIBILITY OF PROTEGE FIRMS FOR CERTAIN ASSISTANCE.—Notwithstanding any other provision of law, the Small Business Administration may not determine a disadvantaged 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.

"(p) LIMITATION ON DUPLICATIVE REVIEW.—Notwithstanding any other provision of law, 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.".

(e) STATUS DETERMINATIONS.—Section 831(c)(3) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended by striking out the second sentence and all that follows through "Administration" in the third sentence and inserting in lieu thereof the following: "The Secretary of Defense shall determine the status of such business concern as a disadvantaged small business concern pursuant to regulations prescribed by the Secretary. If at any time the business concern is determined by the Secretary".

(f) NONAFFILIATION TREATMENT.—Subsection (h) of section 831 the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is repealed.

(g) RETROACTIVE EFFECTIVE DATE.—The amendments made by subsections (d), (e), and (f) shall take effect as of November 5, 1990, and shall apply as if executed immediately after section 831 of the National Defense Authorization Act for Fiscal Year 1991 took effect.

SEC. 816. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) AVAILABILITY OF AUTHORIZED APPROPRIATIONS.—Of the amounts authorized to be appropriated pursuant to section 301(5), $9,000,000 shall be available for fiscal year 1993 for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts provided for in subsection (a), $600,000 shall be available for fiscal year 1993 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow for effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

Subtitle C—Miscellaneous Acquisition Policy Matters

SEC. 821. EXTENSION OF PROGRAM FOR USE OF MASTER AGREEMENTS FOR PROCUREMENT OF ADVISORY AND ASSISTANCE SERVICES.

Section 2304(j) of title 10, United States Code, is amended in paragraph (5) by striking out "at the end of" and all that follows and inserting in lieu thereof "on September 30, 1994.".

SEC. 822. MAJOR DEFENSE ACQUISITION PROGRAM REPORTS.

(a) SELECTED ACQUISITION REPORTS FOR CERTAIN PROGRAMS.—Section 127(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (101 Stat. 1044; 10 U.S.C. 2432 note) is amended by striking out "at the end of each fiscal year quarter" and inserting in lieu thereof "in accordance with the provisions of subsection (b) of section 2432 of title 10, United States Code,".

(b) MINIMUM AMOUNT CRITERIA FOR MAJOR DEFENSE ACQUISITION PROGRAMS.—Section 2430 of title 10, United States Code, is amended—

(1) by designating the existing text as subsection (a);

(2) in paragraph (2) of that subsection, as so designated—

(A) by striking out "$200,000,000" and inserting in lieu thereof "$300,000,000";

(B) by striking out "1980" both places it appears and inserting in lieu thereof "1990"; and

(C) by striking out "$1,000,000,000" and inserting in lieu thereof "$1,800,000,000"; and

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

"(b) The Secretary of Defense may adjust the amounts (and the base fiscal year) provided in subsection (a)(2) on the basis of Department of Defense escalation rates. An adjustment under this subsection shall be effective after the Secretary transmits a written notification of the adjustment to the Committees on Armed Services of the Senate and House of Representatives.".

(c) SELECTED ACQUISITION REPORTS.—(1) Subsection (a) of section 2432 of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) The term 'major contract', with respect to a major defense acquisition program, means each of the six largest prime, associate, or Government-furnished equipment contracts under the program that is in excess of $40,000,000.".

(2) Subsection (b) of such section is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) The Secretary of Defense may waive the requirement for submission of Selected Acquisition Reports for a program for a fiscal year if—

"(i) the program has not entered full scale development or engineering and manufacturing development;

"(ii) a reasonable cost estimate has not been established for such program; and

"(iii) the system configuration for such program is not well defined.

"(B) The Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a written notification of each waiver under subparagraph (A) for a program for a fiscal year not later than 60 days before the President submits the budget to Congress pursuant to section 1105 of title 31 in that fiscal year.".

(3) Subsection (c)(2) of such section is amended by striking out the last sentence and inserting in lieu thereof the following: "The Secretary of Defense may approve changes in the content of the Selected Acquisition Report if the Secretary provides such Committees with written notification of such changes at least 60 days before the date of the report that incorporates the changes.".

(4) Subsection (c)(3)(C) of such section is amended by striking out clauses (i) through (vii) and inserting in lieu thereof the following:

"(i) Specification of the baseline production rate, defined as the rate or rates to be achieved at full rate production as assumed in the decision to proceed with production (commonly referred to as the 'Milestone III' decision).

"(ii) Specification, for each of the two budget years of production under the program, of the minimum sustaining production rate, defined as the production rate for each budget year that is necessary to keep production lines open while maintaining a base of responsive vendors and suppliers.

"(iii) Specification, for each of the two budget years of production under the program, of the maximum production rate, defined as the production rate for each budget year that is attainable with the facilities and tooling programmed to be available for procurement under the program or otherwise to be provided with Government funds.

"(iv) Specification, for each of the two budget years of production, of the current production rate, defined as the production rate for each budget year for which the report is submitted, based on the budget submitted to Congress pursuant to section 1105 of title 31.

"(v) Estimation of any cost variance—

"(I) between the budget year procurement unit costs at the production rate specified pursuant to clause (iv) and the budget year procurement unit costs at the minimum sustaining production rate specified pursuant to clause (ii); and

"(II) between the total remaining procurement cost at the production rate specified pursuant to clause (iv) and the total remaining procurement cost at the minimum sustaining production rate specified pursuant to clause (ii).

"(vi) Estimation of any cost variance—

"(I) between the budget year procurement unit costs at the current production rate specified pursuant to clause (iv) and the budget year procurement unit costs at the maximum production rate specified pursuant to clause (iii); and

"(II) between the total remaining procurement cost at the current production rate specified pursuant to clause (iv) and the total remaining procurement cost at the maximum production rate specified pursuant to clause (iii).

"(vii) Estimation of quantity variance—

"(I) between the budget year quantities assumed in the minimum sustaining production rate specified pursuant to clause (ii) and the current production rate specified pursuant to clause (iv); and

"(II) between the budget year quantities assumed in the maximum production rate specified pursuant to clause (iii) and the current production rate specified pursuant to clause (iv).".

(d) UNIT COST REPORTS.—(1) Subsection (a)(4)(C) of section 2433 of title 10, United States Code, is amended by striking out "(e)(2)(B)(ii)" and inserting in lieu thereof "(e)(2)(B)".

(2) Subsection (b) of such section is amended by striking out "7 days (excluding Saturdays, Sundays, and legal public holidays)" in the second sentence and inserting in lieu thereof "30 calendar days".

(3) Paragraphs (1)(A), (1)(B), (2)(A), and (2)(B) of subsection (c) of such section are amended by striking out "more than" each place it appears and inserting in lieu thereof "at least".

(4) Subsection (d) of such section is amended—

(A) by striking out "more than" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "at least"; and

(B) in paragraph (3) of such subsection—

(i) by striking out "more than" each place it appears and inserting in lieu thereof "at least"; and

(ii) by striking out "program within 30 days" and all that follows and inserting in lieu thereof "program. In the case of a deter-

mination based on a quarterly report submitted in accordance with subsection (b), the Secretary shall submit the notification to Congress within 45 days after the end of the quarter. In the case of a determination based on a report submitted in accordance with subsection (c), the Secretary shall submit the notification to Congress within 45 days after the date of that report. The Secretary shall include in the notification the date on which the determination was made.".

(5) Subsection (e) of such section is amended—

(A) in paragraph (1), by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) Except as provided in subparagraph (B), whenever the Secretary concerned determines under subsection (d) that the program acquisition unit cost or the current procurement unit cost of a major defense acquisition program has increased by at least 15 percent, a Selected Acquisition Report shall be submitted to Congress for the first fiscal-year quarter ending on or after the date of the determination or for the fiscal-year quarter which immediately precedes the first fiscal-year quarter ending on or after that date. The report shall include the information described in section 2432(e) of this title and shall be submitted in accordance with section 2432(f) of this title.";

(B) in paragraph (2), by striking out "current program acquisition cost" and inserting in lieu thereof "program acquisition unit cost or current procurement unit cost"; and

(C) in paragraph (3), by striking out "more than" each place it appears and inserting in lieu thereof "at least".

SEC. 823. REVISION OF RULES CONCERNING SEVERANCE PAY FOR FOREIGN NATIONALS.

(a) WAIVER AUTHORITY.—Section 2324(e) of title 10, United States Code, is amended—

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

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

"(3)(A) Pursuant to regulations prescribed by the Secretary and subject to the availability of appropriations, the head of an agency awarding a covered contract may waive the application of the provisions of paragraphs (1)(M) and (1)(N) to that contract if the head of the agency determines that—

"(i) the application of such provisions to the contract would adversely affect the continuation of a program, project, or activity that provides significant support services for members of the armed forces stationed or deployed outside the United States;

"(ii) the contractor has taken (or has established plans to take) appropriate actions within the contractor's control to minimize the amount and number of incidents of the payment of severance pay by the contractor to employees under the contract who are foreign nationals; and

"(iii) the payment of severance pay is necessary in order to comply with a law that is generally applicable to a significant number of businesses in the country in which the foreign national receiving the payment performed services under the contract or is necessary to comply with a collective bargaining agreement.

"(B) The head of an agency shall include in the solicitation for a covered contract a statement regarding whether a waiver has been granted under subparagraph (A) in the case of that contract.

"(C) Subparagraph (A) does not apply with respect to a contractor that is owned or controlled directly or indirectly by citizens or nationals of a foreign country, as determined by the head of the agency awarding the contract to such contractor. The head of the agency shall make such determination in accordance with the criteria and policy guidance referred to in paragraph (2)(C).".

(b) APPLICABILITY.—(1) The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to covered contracts (as defined in section 2324 of title 10, United States Code) that are entered into on or after that date.

(2) Notwithstanding paragraph (1), if the applicable head of an agency makes the determinations referred to in paragraph (3)(A) of section 2324(e) of title 10, United States Code (as amended by subsection (a)), with respect to a covered contract that was in force during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act, the provisions of paragraphs (1)(M) and (1)(N) of such section shall not apply to the costs, if any, incurred by the contractor for the payment under the contract of severance pay to foreign national employees whose employment under the contract was terminated during such period.

(c) REPORT ON USE OF WAIVER AUTHORITY.—Not later than March 15 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the use of the waiver authority provided in section 2324(e)(3)(A) of title 10, United States Code (as added by subsection (a)), during the preceding year.

SEC. 824. PROHIBITION ON PURCHASE OF UNITED STATES DEFENSE CONTRACTORS BY ENTITIES CONTROLLED BY FOREIGN GOVERNMENTS.

(a) IN GENERAL.—No entity controlled by a foreign government may purchase or otherwise acquire a company engaged in interstate commerce in the United States that—

(1) is performing a Department of Defense contract, or a Department of Energy contract under a national security program, that cannot be performed satisfactorily unless that company is given access to information in a proscribed category of information; or

(2) during the previous fiscal year, was awarded—

(A) Department of Defense prime contracts in an aggregate amount in excess of $500,000,000; or

(B) Department of Energy prime contracts under national security programs in an aggregate amount in excess of $500,000,000.

(b) INAPPLICABILITY TO CERTAIN CASES.—The limitation in subsection (a) shall not apply to a purchase or other acquisition if—

(1) the Secretary of Defense determines that the purchase or other acquisition is necessary in order to ensure the availability of critical supplies or services that would not otherwise be reasonably available to the Department of Defense;

(2) the Secretary of Defense determines that the purchase or other acquisition is not detrimental to the national security interests of the United States; and

(3) the purchase or other acquisition is not suspended or prohibited pursuant to section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170).

(c) DEFINITIONS.—In this section:

(1) The term "entity controlled by a foreign government" includes—

(A) any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government, and

(B) any individual acting on behalf of a foreign government,

as determined by the President.

(2) The term "proscribed category of information" means a category of information that—

(A) with respect to Department of Defense contracts—

(i) includes special access information;

(ii) is determined by the Secretary of Defense to include information the disclosure of which to an entity controlled by a foreign government is not in the national security interests of the United States; and

(iii) is defined in regulations prescribed by the Secretary of Defense for the purposes of this section; and

(B) with respect to Department of Energy contracts—

(i) is determined by the Secretary of Energy to include information described in subparagraph (A)(ii); and

(ii) is defined in regulations prescribed by the Secretary of Energy for the purposes of this section.

SEC. 825. PROHIBITION ON AWARD OF CERTAIN DEPARTMENT OF DEFENSE AND DEPARTMENT OF ENERGY CONTRACTS TO COMPANIES OWNED BY AN ENTITY CONTROLLED BY A FOREIGN GOVERNMENT.

(a) IN GENERAL.—A Department of Defense contract or Department of Energy contract under a national security program may not be awarded to a company owned by an entity controlled by a foreign government if it is necessary for that company to be given access to information in a proscribed category of information in order to perform the contract.

(b) WAIVER AUTHORITY.—The Secretary may waive the application of subsection (a) to a contract award if the Secretary determines that the waiver is essential to the national security interests of the United States.

(c) DEFINITIONS.—In this section:

(1) The term "entity controlled by a foreign government" includes—

(A) any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government, and

(B) any individual acting on behalf of a foreign government,

as determined by the Secretary concerned.

(2) The term "proscribed category of information" means a category of information that—

(A) with respect to Department of Defense contracts—

(i) includes special access information;

(ii) is determined by the Secretary of Defense to include information the disclosure of which to an entity controlled by a foreign government is not in the national security interests of the United States; and

(iii) is defined in regulations prescribed by the Secretary of Defense for the purposes of this section; and

(B) with respect to Department of Energy contracts—

(i) is determined by the Secretary of Energy to include information described in subparagraph (A)(ii); and

(ii) is defined in regulations prescribed by the Secretary of Energy for the purposes of this section.

(3) The term "Secretary concerned" means—

(A) the Secretary of Defense, with respect to Department of Defense contracts; and

(B) the Secretary of Energy, with respect to Department of Energy contracts.

SEC. 826. DEPARTMENT OF DEFENSE INVENTION DISPOSITION POLICY.

(a) POLICY.—To the extent permitted by law, the policy of the Department of Defense

with respect to the disposition of any invention usable in the manufacture of products that is made in the performance of a federally funded research and development contract, grant, or cooperative agreement award shall be the same or substantially the same as is applied to small business firms and nonprofit organizations under chapter 18 of title 35, United States Code.

(b) WAIVER.—In awards not subject to chapter 18 of title 35, United States Code, any of the rights of the Federal Government or obligations of the performer described in sections 202 through 204 of that title may be waived or omitted if, under regulations prescribed by the Secretary of Defense, it is determined that—

(1) the interests of the United States and the general public will be better served by the waiver or omission, including such cases as when the waiver or omission is necessary to obtain a uniquely or highly qualified performer; or

(2) the award involves cosponsored, cost-sharing, or joint venture research and development, and the performer, cosponsor, or joint venturer is making a substantial contribution of funds, facilities, or equipment to the work performed under the award.

(c) REQUIREMENT FOR CONFIDENTIALITY.—The Secretary of Defense should protect the confidentiality of invention disclosure, patent applications, and utilization reports required in performance or in consequence of awards to the extent permitted by section 205 of title 35, United States Code, or other applicable laws.

SEC. 827. CERTIFICATION OF CLAIMS FOR SHIPBUILDING CONTRACTS.

(a) CERTIFICATION.—Section 2405 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) If a certification referred to in subsection (b) with respect to a shipbuilding contract is determined to be deficient because of the position, status, or scope of authority of the person executing the certification, the contractor may resubmit the certification. The resubmitted certification shall be based on the supporting data that existed when the original certification was submitted. The appropriateness of the person executing the resubmitted certification shall be determined on the basis of applicable law in effect at the time of the resubmission.

"(2) If a certification is resubmitted pursuant to paragraph (1) within 30 days after the date on which the contracting officer for the contract notifies the contractor in writing of the deficiency in the original certification, the resubmitted certification shall be deemed to have been submitted at the time the original certification was submitted.".

(b) APPLICABILITY.—(1) Except as provided in paragraph (2) the amendment made by subsection (a) shall apply to certifications determined to be deficient on or after the date of the enactment of this Act.

(2) In the case of a certification referred to in subsection (b) of section 2405 of title 10, United States Code, that has been determined to be deficient for a reason set forth in subsection (c)(1) of that section (as added by subsection (a)) before the date of the enactment of this Act, a certification resubmitted pursuant to such subsection (c)(1) within 180 days after that date shall be deemed to have been submitted on the date of the submission of the original certification.

SEC. 828. AUTHORITY FOR THE DEPARTMENT OF DEFENSE TO SHARE EQUITABLY THE COSTS OF CLAIMS UNDER INTERNATIONAL ARMAMENTS COOPERATION PROGRAMS.

(a) AMENDMENT TO THE ARMS EXPORT CONTROL ACT.—Section 27(c) of the Arms Export Control Act (22 U.S.C. 2767(c)) is amended in the second sentence by striking out "and administrative costs" and inserting in lieu thereof "costs, administrative costs, and costs of claims".

(b) AMENDMENTS TO TITLE 10.—(1) Section 2350a(c) of title 10, United States Code, is amended by inserting "(including the costs of claims)" after "project" the second place it appears.

(2) Section 2350d(c) of such title is amended by inserting "and costs of claims" after "administrative costs".

SEC. 829. ADVANCE NOTIFICATION OF CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES.

(a) NOTIFICATION REQUIRED.—(1) Chapter 141 of title 10, United States Code, as amended by section 806, is further amended by adding at the end the following new section:

"§ 2410f. Advance notification of contract performance outside the United States

"(a) NOTIFICATION.—(1) A firm that is performing a Department of Defense contract for an amount exceeding $10,000,000, or is submitting a bid or proposal for such a contract, shall notify the Department of Defense in advance of any intention of the firm or any subcontractor of the firm to perform outside the United States any part of the contract that exceeds $500,000 in value and could be performed inside the United States.

"(2) If a firm submitting a bid or proposal for a Department of Defense contract is required to submit a notification under this subsection, the notification shall be included in the bid or proposal.

"(b) RECIPIENT OF NOTIFICATION.—The firm shall transmit the notification—

"(1) in the case of a contract of a military department, to such officer or employee of that military department as the Secretary of the military department may direct; and

"(2) in the case of any other Department of Defense contract, to such officer or employee of the Department of Defense as the Secretary of Defense may direct.

"(c) AVAILABILITY OF NOTIFICATIONS.—The Secretary of Defense shall ensure that the notifications (or copies) are maintained in compiled form for a period of 5 years and are available for use in the preparation of the national defense technology and industrial base assessment carried out under section 2263 of this title.

"(d) INAPPLICABILITY TO CONSTRUCTION CONTRACTS.—This section shall not apply to contracts for military construction.".

(2) The table of sections at the beginning of such chapter, as amended by section 806, is further amended by adding at the end the following new item:

"2410f. Advance notification of contract performance outside the United States.".

(b) EFFECTIVE DATE.—Section 2410d of title 10, United States Code (as added by subsection (a)), shall take effect 90 days after the date of the enactment of this Act.

SEC. 830. ALLOWABLE COSTS.

(a) PENALTIES.—Section 2324 of title 10, United States Code, is amended by striking out subsections (a), (b), (c), and (d) and inserting in lieu thereof the following:

"(a) The Secretary of Defense shall require that a covered contract provide that if the contractor submits to the Department of Defense a proposal for settlement of indirect costs incurred by the contractor for any period after such costs have been accrued and if that proposal includes the submission of a cost which is unallowable because the cost violates a cost principle in the Federal Acquisition Regulation or the Department of Defense Supplement to the Federal Acquisition Regulation, the cost shall be disallowed.

"(b)(1) If the Secretary determines that a cost submitted by a contractor in its proposal for settlement is expressly unallowable under a cost principle referred to in subsection (a) that defines the allowability of specific selected costs, the Secretary shall assess a penalty against the contractor in an amount equal to—

"(A) the amount of the disallowed costs allocated to covered contracts; plus

"(B) interest (to be computed based on regulations issued by the Secretary) to compensate the United States for the use of any funds which the contractor has been paid in excess of the amount to which the contractor was entitled.

"(2) If the Secretary determines that a proposal for settlement of indirect costs submitted by a contractor includes a cost determined to be unallowable in the case of such contractor before the submission of such proposal, the Secretary shall assess a penalty against the contractor in an amount equal to two times the amount of the disallowed cost allocated to covered contracts.

"(c) The Secretary shall prescribe regulations providing for a penalty under subsection (b) to be waived in the case of a contractor's proposal for settlement of indirect costs when—

"(1) the contractor withdraws the proposal before the formal initiation of an audit of the proposal by the Federal Government and resubmits a revised proposal; or

"(2) the amount of unallowable costs subject to the penalty is insignificant.

"(d) An action of the Secretary under subsection (a) or (b)—

"(1) shall be considered a final decision for the purposes of section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605); and

"(2) is appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply, as provided in regulations prescribed by the Secretary of Defense, with respect to proposals for settlement of indirect costs for contractor fiscal years for which the Federal Government has not formally initiated an audit of the proposals before that date.

SEC. 831. SCIENCE AND TECHNOLOGY FELLOWSHIP PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a science and technology fellowship program in accordance with this section in order to enhance the ability of the Department of Defense to recruit and retain employees who are highly qualified in fields of science and technology.

(b) NUMBER OF FELLOWSHIPS.—The Secretary of Defense may designate up to 25 employees of the Department of Defense as science and technology fellows.

(c) COVERED POSITIONS.—In order to be eligible for designation as a science and technology fellow, an employee shall be serving in a science or technology position in the Department of Defense that involves the performance of duties likely to result in significant restrictions under law on the employment activities of that employee after leaving Government service.

(d) SUPPORT FOR 2-YEAR PERIOD OF RESEARCH AND TEACHING.—After a science and technology fellow completes 2 years of Federal Government service as an employee in a science or technology position in the Department of Defense, the Secretary of Defense shall support the employment of the fellow, in accordance with subsection (e), in research or teaching in a field related to Federal Government science and technology policy for 2 years.

(e) FORMS OF SUPPORT.—(1) If the fellow engages in research or teaching referred to in subsection (d) in the defense acquisition university structure of the Department of Defense or any other institution of professional education of the Federal Government, the Secretary of Defense shall continue the fellow as an employee of the Department of Defense in a grade or level at least equal to the grade or level of the position in which the fellow served in the Department of Defense as a fellow before undertaking such research or teaching.

(2) If the fellow terminates employment as a Federal employee and engages in research or teaching referred to in subsection (d) in a nonprofit institution of higher education, the Secretary of Defense shall pay the fellow a stipend at least equal to the rate of pay and the equivalent of the employee benefits that the fellow would have received under paragraph (1) if the fellow were engaging in that research or teaching in an institution of professional education of the Federal Government.

SEC. 832. ADVISORY AND ASSISTANCE SERVICES FOR OPERATIONAL TEST AND EVALUATION.

Paragraph (3) of section 2399(e) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(3)"; and

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

"(B) The limitation in subparagraph (A) does not apply to a contractor that has participated in such development, production, or testing solely as a representative of the Federal Government.".

SEC. 833. REGULATIONS RELATING TO SUBSTANTIAL CHANGES IN THE PARTICIPATION OF A MILITARY DEPARTMENT IN A JOINT ACQUISITION PROGRAM.

(a) REGULATIONS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations that prohibit each military department participating in a joint acquisition program approved by the Under Secretary of Defense for Acquisition from terminating or substantially reducing its participation in such program without the approval of the Under Secretary.

(b) CONTENT OF REGULATIONS.—The regulations shall include the following provisions:

(1) A requirement that, before any such termination or substantial reduction in participation is approved, the proposed termination or reduction be reviewed by the Joint Requirements Oversight Council of the Department of Defense.

(2) A provision that authorizes the Under Secretary of Defense for Acquisition to require a military department approved for termination or substantial reduction in participation in a joint acquisition program to continue to provide some or all of the funding necessary for the acquisition program to be continued in an efficient manner.

SEC. 834. RESTRICTION ON PURCHASE OF SONOBUOYS.

(a) LIMITATION.—The Secretary of Defense may not procure a sonobuoy manufactured in a foreign country unless United States firms that manufacture sonobuoys are permitted to compete on an equal basis with foreign manufacturing firms for the sale of sonobuoys in that foreign country.

(b) WAIVER AUTHORITY.—The Secretary may waive the limitation in subsection (a) with respect to a particular procurement of sonobuoys if the Secretary determines that such procurement is in the national security interests of the United States.

(c) DEFINITION.—In this section, the term "United States firm" has the meaning given such term in section 2505(d)(1) of title 10, United States Code.

SEC. 835. SHIPBUILDING TOTAL PROGRAM REPORTING.

Section 2431 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) In the application of subsection (b)(2) to reports regarding a shipbuilding program, the term 'units to be procured until procurement is completed' means the greater of—

"(1) the number of ships used in the cost and operational effectiveness analysis that supports a Milestone I decision for the program;

"(2) the number of ships used in the cost and operational effectiveness analysis that supports a Milestone II decision for the program; or

"(3) the total number of ships that would be procured under the program if the latest multiyear defense program submitted under section 114a of this title were implemented.".

SEC. 836. PURCHASE OF ANGOLAN PETROLEUM PRODUCTS.

The prohibition in section 316 of the National Defense Authorization Act for Fiscal Year 1987 (100 Stat. 3855; 10 U.S.C. 2304 note) shall cease to be effective on the date on which the President certifies to Congress that free, fair, and democratic elections have taken place in Angola after September 1, 1992.

SEC. 837. PROGRAM TO ENCOURAGE DIVERSIFICATION OF DEFENSE LABORATORIES.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, acting through the Director of Defense Research and Engineering, shall establish and implement a program to be known as the Federal Defense Laboratory Diversification Program (hereafter in this section referred to as the "Program"). The purpose of the Program shall be to encourage greater cooperation in research and production activities carried out by defense laboratories and by private industry of the United in order to enhance and improve the products of such research and production activities.

(b) PROGRAM GOALS.—Under the Program, the defense laboratories shall carry out cooperative activities with private industry in order to promote the transfer (by the use or exchange of patents, licenses, cooperative research and development agreements and other cooperative agreements, and the use of symposia, meetings, and other similar mechanisms) of defense or dual-use technologies from the defense laboratories to private industry for the purpose of the commercial utilization of such technologies by private industry.

(c) DEVELOPMENT OF PLANS FOR PROGRAM.—The Director of Defense Research and Engineering shall develop and annually update a plan for each defense laboratory that participates in the Program under which plan the laboratory shall carry out cooperative activities with private industry to promote the transfers described in subsection (b).

(d) REPORTS ON SURVEY OF LABS AND IMPLEMENTATION OF PROGRAM.—(1) Not later than September 30, 1993, the Director of Research and Engineering shall submit to Congress a report containing the following:

(A) An assessment of the potential of each such laboratory to promote the transfers described in subsection (b).

(B) Recommendations on the manner in which each such laboratory might better promote such transfers.

(C) A description of the extent to which each such laboratory has implemented effectively the plan established for the laboratory under subsection (c) during the year preceding the date of the report.

(D) Recommendations of the Director for the improvement of the Program.

(e) DEFINITION.—In this section, the term "defense laboratory" means any laboratory owned or operated by the Department of Defense that carries out research in fiscal year 1993 in an amount in excess of $5,000,000.

SEC. 838. DEFENSE PRODUCTION ACT AMENDMENTS.

(a) INVESTIGATIONS OF CERTAIN MERGERS, ACQUISITIONS, AND TAKEOVERS.—Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended—

(1) by redesignating subsections (b) through (h) as subsections (c) through (i), respectively; and

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

"(b) MANDATORY INVESTIGATIONS.—The President or the President's designee shall make an investigation, as described in subsection (a), in any instance in which an entity controlled by or acting on behalf of a foreign government seeks to engage in any merger, acquisition, or takeover of a person engaged in interstate commerce in the United States that could affect the national security of the United States. Such investigation shall—

"(1) commence not later than 30 days after receipt by the President or the President's designee of written notification of the proposed or pending merger, acquisition, or takeover, as prescribed by regulations promulgated pursuant to this section; and

"(2) shall be completed not later than 45 days after its commencement.

(b) CONSIDERATIONS OF THE PRESIDENT.—Section 721(f) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(f)) (as redesignated by subsection (a)) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period and inserting a comma; and

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

"(4) the potential effects of the proposed or pending transaction on sales of military goods, equipment, or technology to any country—

"(A) identified by the Secretary of State—

"(i) under section 6(j) of the Export Administration Act of 1979, as a country that supports terrorism;

"(ii) under section 6(*l*) of the Export Administration Act of 1979, as a country of concern regarding missile proliferation; or

"(iii) under section 6(m) of the Export Administration Act of 1979, as a country of concern regarding the proliferation of chemical and biological weapons; or

"(B) listed under section 309(c) of the Nuclear Non-Proliferation Act of 1978 on the 'Nuclear Non-Proliferation-Special Country List' (15 C.F.R. Part 778, Supplement No. 4) or any successor list; and

"(5) the potential effects of the proposed or pending transaction on United States inter-

national technological leadership in areas affecting United States national security.".

(c) REPORT.—Section 721(g) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(f)) (as redesignated by subsection (a)) is amended to read as follows:

"(g) REPORT TO THE CONGRESS.—The President shall immediately transmit to the Secretary of the Senate and the Clerk of the House of Representatives a written report of the President's determination of whether or not to take action under subsection (d), including a detailed explanation of the findings made under subsection (e) and the factors considered under subsection (f).".

(d) SENSE OF THE CONGRESS REGARDING THE COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.—It is the sense of the Congress that the President should include in the membership of the Committee on Foreign Investment in the United States (established by Executive Order No. 11858)—

(1) the Director of the Office of Science and Technology Policy; and

(2) the Assistant to the President for National Security.

(e) INTELLIGENCE STUDY.—

(1) IN GENERAL.—In order to assist the Congress in its oversight responsibilities with respect to section 721 of the Defense Production Act (as amended by this section), the Director of the Federal Bureau of Investigations and the Director of Central Intelligence shall jointly submit to the Congress a report that evaluates whether—

(A) there is credible evidence of a strategy by 1 or more foreign countries or companies to acquire United States companies involved in the research, development, or production of defense critical technologies of which the United States is a leading producer; and

(B) such strategy is intended as a means—

(i) of obtaining access to defense critical technologies that the foreign entity would not otherwise have; or

(ii) of gaining substantial control of the market for such technologies.

(2) SUBMISSION.—The report required under paragraph (1) shall be submitted—

(A) not later than 1 year after the date of enactment of this Act; and

(B) upon the expiration of every 4-year period thereafter.

SEC. 839. LANDSAT REMOTE-SENSING SATELLITE.

Notwithstanding the provisions of the Land-Remote Sensing Commercialization Act of 1984 (Public Law 98-365), the Department of Defense is authorized to contract for the development, procurement, and support to operations of Landsat 7 and subsequent Landsat vehicles.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

SEC. 901. REPORT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF ON ROLES AND MISSIONS OF THE ARMED FORCES.

(a) REPORT.—(1) The Secretary of Defense shall transmit to Congress a copy of the first report relating to the roles and missions of the Armed Forces that is submitted to the Secretary by the Chairman of the Joint Chiefs of Staff under section 153(b) of title 10, United States Code, after January 1, 1992.

(2) The Secretary shall transmit the report, together with his views on the report, within 30 days after receiving the report.

(b) ADDITIONAL MATTERS.—In addition to the matters required under such section 153(b), the Chairman shall include in the report referred to in subsection (a) the Chairman's comments and recommendations regarding the following matters:

(1) The extent to which the efficiency of the Armed Forces in carrying out its roles and missions can be enhanced by the elimination or reduction of duplication in the capabilities of, or by the consolidation or streamlining of organizations and activities within, the military departments and Defense Agencies.

(2) Changes in the operational tempo of forces stationed in the continental United States and changes in deployment patterns and operational tempo of forces deployed outside the United States.

(3) Changes in the readiness status of units based upon time-phased force deployment plans.

(4) Transfers of functions from the active components of the Armed Forces to the reserve components of the Armed Forces.

SEC. 902. VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) DESIGNATION AS A MEMBER OF THE JOINT CHIEFS OF STAFF.—Section 151(a) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

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

"(2) The Vice Chairman.".

(b) CONFORMING AMENDMENTS.—(1) Section 154 of such title is amended—

(A) in subsection (c), by striking out "such" and inserting in lieu thereof "the duties prescribed for him as a member of the Joint Chiefs of Staff and such other";

(B) by striking out subsection (f); and

(C) by redesignating subsection (g) as subsection (f).

(2) Section 155(a)(1) of such title is amended by striking out "and the Vice Chairman."

SEC. 903. ASSISTANT TO THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF FOR NATIONAL GUARD AND RESERVE AFFAIRS.

Section 155 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(h) ASSISTANT FOR NATIONAL GUARD AND RESERVE AFFAIRS.—(1) The Chairman of the Joint Chiefs of Staff shall establish on the Joint Staff the position of Assistant to the Chairman of the Joint Chiefs of Staff for National Guard and Reserve Affairs.

"(2) The Assistant to the Chairman shall be a commissioned officer in the reserve components.

"(3) The Assistant to the Chairman shall be the principal adviser to the Chairman of the Joint Chiefs of Staff on matters concerning the reserve components.

"(4) The staff of the Assistant to the Chairman shall be members of the reserve components within the end strengths authorized by law for the number of Reserves serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components.".

SEC. 904. ORGANIZATION OF THE OFFICE OF THE CHIEF OF NAVAL OPERATIONS.

(a) CONSOLIDATION OF NAVY HEADQUARTERS MANAGEMENT STRUCTURE.—The Secretary of the Navy shall consolidate and streamline the Navy headquarters establishments within the Office of the Chief of Naval Operations to reflect changes in the roles and missions of the Department of the Navy.

(b) ASSISTANT CHIEF OF NAVAL OPERATIONS FOR EXPEDITIONARY WARFARE.—(1) Section 5037 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) One of the Assistant Chiefs of Naval Operations shall be the Assistant Chief of Naval Operations for Expeditionary Warfare who shall be detailed from officers on the active-duty list of the Marine Corps.

"(2) An officer assigned to the position of Assistant Chief of Naval Operations for Expeditionary Warfare, while so serving, has the grade of lieutenant general without vacating his permanent grade. The Assistant Chief of Naval Operations for Expeditionary Warfare shall be appointed to that grade by the President, by and with the advice and consent of the Senate, for service in that position.

"(3) The principal duty of the Assistant Chief of Naval Operations for Expeditionary Warfare shall be to supervise the performance of all responsibilities of the Chief of Naval Operations regarding expeditionary warfare, including responsibilities regarding amphibious lift, mine warfare, naval fire support, aviation support, and other missions essential to supporting expeditionary warfare.".

(2) The Chief of Naval Operations shall transfer duties, responsibilities, and staff from other personnel within the Office of the Chief of Naval Operations as necessary to fully support the Assistant Chief of Naval Operations for Expeditionary Warfare.

(3) Paragraph (4) of section 525(b) of title 10, United States Code, is amended—

(A) in subparagraph (A), by inserting "or referred to in subparagraph (C)" after "subparagraph (B)"; and

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

"(C) Subparagraph (C) applies to the Assistant Chief of Naval Operations for Expeditionary Warfare in addition to officers designated under subparagraph (B).".

SEC. 905. CERTIFICATIONS RELATING TO THE ASSISTANT SECRETARY OF DEFENSE FOR SPECIAL OPERATIONS AND LOW INTENSITY CONFLICT AND THE SPECIAL OPERATIONS COMMAND.

(a) CERTIFICATIONS.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall (except as otherwise provided under subsection (b)) certify to the congressional defense committees the following:

(1) That the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict and the commander of the special operations command established pursuant to section 167 of title 10, United States Code, have been assigned the duties and functions specified for the Assistant Secretary and that commander, respectively, under law, the Unified Command Plan, and Department of Defense Directive No. 5138.3 (dated January 4, 1988).

(2) That the Assistant Secretary and the special operations command have been authorized the number of personnel necessary for the Assistant Secretary and the commander of the special operations command to perform such respective duties and functions.

(b) ALTERNATIVE TO CERTIFICATION.—If the Secretary of Defense is unable to make the certifications referred to in subsection (a) within the 120-day period provided in that subsection, the Secretary shall submit to the congressional defense committees a report notifying the committees that the Secretary is unable to make such certifications and setting forth the actions that the Secretary will take in order to enable the Secretary to make such certifications after the expiration of that period.

SEC. 906. JOINT OFFICER PERSONNEL POLICY.

(a) FIVE-YEAR EXTENSION OF AUTHORITY RELATING TO JOINT DUTY ASSIGNMENT AS

PREREQUISITE FOR PROMOTION TO GENERAL OR FLAG OFFICER.—Section 619(e) of title 10, United States Code, is amended by striking out "January 1, 1994" in paragraphs (1) and (2)(E) and inserting in lieu thereof "January 1, 1999".

(b) EDUCATION AND EXPERIENCE REQUIREMENTS.—Section 661(c)(1)(A) of such title is amended by inserting before the semicolon the following: "or successfully completes a program at a civilian institution of higher education leading to the award of a master's or higher degree".

(c) LENGTH OF JOINT DUTY ASSIGNMENTS.—(1) Subsection (f) of section 664 of such title is amended to read as follows:

"(f) FULL TOUR OF DUTY.—An officer shall be considered to have completed a full tour of duty in a joint duty assignment upon the successful completion by that officer of a joint duty assignment, or of an assignment within the officer's military department, if the officer is certified as having gained significant experience in joint matters in that assignment by—

"(1) in the case of an assignment in a unit or organization in a combatant command, the commander of the combatant command;

"(2) in the case of an assignment in a Defense Agency, the head of that Defense Agency; or

"(3) in the case of any other assignment, the Chairman of the Joint Chiefs of Staff.".

(2) Subsection (d)(1)(D) of that section is amended to read as follows:

"(D) a reassignment for unusual personal reasons (including extreme hardship and medical conditions) beyond the control of the officer or the armed forces or a reassignment to another joint duty assignment.".

(d) CONFORMING AMENDMENTS.—(1) Section 664 of such title is amended by striking out paragraph (3) of subsection (d) and subsections (g) and (h).

(2) Section 668(b)(1) of such title is amended by striking out "exclude—" and all that follows through the period at the end and inserting in lieu thereof "exclude assignments for joint training or joint education.".

SEC. 907. JOINT DUTY CREDIT FOR EQUIVALENT DUTY IN OPERATIONS DESERT SHIELD AND DESERT STORM.

(a) IN GENERAL.—(1) The Secretary of Defense, upon a recommendation made in accordance with paragraph (3), shall credit an officer of the Armed Forces of the United States who has completed service described in paragraph (2) as having completed a full tour of duty in a joint duty assignment for the purposes of chapter 38 of title 10, United States Code.

(2) Paragraph (1) applies to any officer who, after August 1, 1990, and before October 1, 1991, performed service in an assignment in the Persian Gulf combat zone that—

(A) provided significant experience in joint matters; or

(B) involved frequent professional interaction of that officer with (i) units and members of any of the armed forces other than the officer's armed force, or (ii) an allied armed force.

(3) The Secretary shall take action under paragraph (1) in the case of any officer if that action is recommended, with the concurrence of the Chairman of the Joint Chiefs of Staff, by the Chief of Staff of the Army (for an officer in the Army), the Chief of Naval Operations (for an officer in the Navy), the Chief of Staff of the Air Force (for an officer in the Air Force), or the Commandant of the Marine Corps (for an officer in the Marine Corps).

(b) INAPPLICABILITY OF CERTAIN REPORTING AND POLICY REQUIREMENTS.—Officers for whom joint duty credit has been granted pursuant to subsection (a) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of title 10, United States Code, and subsections (a)(3) and (b) of section 662 of such title.

(c) INFORMATION ON EXERCISE OF AUTHORITY TO BE INCLUDED IN FISCAL YEAR 1993 ANNUAL REPORT.—The annual report submitted to Congress by the Secretary of Defense for fiscal year 1993 under section 113(c) of title 10, United States Code, shall include the following information:

(1) The total number of officers granted joint duty credit pursuant to subsection (a).

(2) The total number of such officers for each armed force.

(3) The total number of officers in each grade and each occupational specialty who have been granted joint duty credit pursuant to subsection (a).

(4) For each armed force, the total number of such officers in each grade and each occupational specialty who have been granted such credit.

(d) DEFINITIONS.—In this section:

(1) The term "joint matters" has the meaning given such term in section 668(a) of title 10, United States Code.

(2) The term "Persian Gulf combat zone" means the area designated by the President as the combat zone for Operation Desert Shield, Operation Desert Storm, and related operations for purposes of section 112 of the Internal Revenue Code of 1986.

SEC. 908. CINC INITIATIVE FUND.

(a) AUTHORIZED RECIPIENTS OF FUNDS.—Subsection (a) of section 166a of title 10, United States Code, is amended in the first sentence by striking out "funds, upon request," and all that follows through the period and inserting in lieu thereof "funds to the commander of a combatant command, upon the request of the commander, or to the Director of the Joint Staff with respect to an area or areas not within the area of responsibility of a commander of a combatant command.".

(b) AUTHORIZED ACTIVITIES.—Subsection (b)(7) of such section is amended by inserting "(including transportation, translation, and administrative expenses)" before the period at the end.

(c) PRIORITY.—Subsection (c) of such section is amended by inserting before the period at the end the following:

"(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the CINC Initiative Fund or the provision of funds to the Director of the Joint Staff under subsection (a), should give priority consideration to—

"(1) requests for funds to be used for activities that would enhance the war fighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds; and

"(2) the provision of funds to be used for activities with respect to an area or areas not within the area of responsibility of a commander of a combatant command that would reduce the threat to, or otherwise increase, the national security of the United States.".

(d) LIMITATIONS.—Subsection (e)(1)(C) of such section is amended to read as follows:

"(C) not more than $5,000,000 may be used to provide military education and training (including transportation, translation, and administrative expenses) to military and related civilian personnel of foreign countries as authorized by subsection (b)(7).".

SEC. 909. DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR EQUAL OPPORTUNITY.

(a) REQUIREMENT FOR REESTABLISHMENT OF POSITION.—The Secretary of Defense shall reestablish within the Office of the Secretary of Defense the position of Deputy Assistant Secretary of Defense for Equal Opportunity and provide for the official in that position to carry out the same or similar duties that were formerly carried out by the Deputy Assistant Secretary of Defense for Equal Opportunity before that position was abolished.

(b) STAFF SUPPORT.—The Secretary shall provide staff for the Deputy Assistant Secretary of Defense for Equal Opportunity in a sufficient number and with sufficient qualifications to enable the Deputy Assistant Secretary of Defense to perform the duties of the position effectively.

(c) USE OF RESOURCE AVAILABLE.—The Secretary shall carry out the requirements of this section with the existing resources available to the Department of Defense.

SEC. 910. DELIVERY OF LEGAL SERVICES WITHIN THE DEPARTMENT OF DEFENSE.

Not later than 10 days after the date of the enactment of this Act, the Secretary of Defense shall rescind or revise the memorandum of the Deputy Secretary of Defense entitled "Ensuring Execution of the Laws and Effective Delivery of Legal Services", dated March 3, 1992.

SEC. 911. COMMISSION ON THE CONDUCT AND REVIEW OF INVESTIGATIONS IN THE DEPARTMENT OF DEFENSE.

(a) ESTABLISHMENT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish a Commission on the Conduct and Review of Investigations in the Department of Defense.

(b) MEMBERSHIP.—The Commission shall be composed of 11 persons who have significant experience in the conduct or review of major investigations, as follows:

(1) Five officials of the Department of Defense, one of whom shall be the Inspector General of the Department of Defense and one of whom shall be the General Counsel of the Department of Defense.

(2) Three former officials of the Department of Defense who, during their Department of Defense service, had substantial responsibility for the conduct or review of major investigations.

(3) Three individuals who, during current or past service in the Federal Government, have had significant experience in the conduct or review of major investigations primarily involving Federal agencies other than the Department of Defense.

(c) DUTIES.—The Commission shall—

(1) review Department of Defense policies, procedures, and practices concerning the conduct and review of investigations; and

(2) in accordance with subsection (e)(1), make any recommendations for changes in such policies, procedures, and practices that the Commission considers appropriate.

(d) REVIEW.—The matters reviewed by the Commission shall include the following:

(1) The training and qualifications of investigative personnel.

(2) The division of responsibilities among organizations with investigative, audit, and inspection functions within the Department of Defense.

(3) The coordination of activities among such organizations.

(4) Procedures for ensuring that such organizations are capable of, and responsive to, the needs of the unified combatant commands, the Defense Agencies, and other joint organizations.

(5) Procedures for ensuring that prompt and thorough investigations are conducted of allegations of misconduct concerning classified matters, operational matters, and the performance of persons in the chain of command.

(6) Procedures for ensuring that investigative organizations are not subject to improper command influence while also ensuring that such organizations are responsive to the investigative and inspection needs of the chain of command.

(7) Procedures for ensuring that there is timely and thorough coordination between organizations conducting investigations and officials within the chain of command who will be responsible for acting on the results of such investigations.

(8) Procedures for ensuring that there is a timely determination as to whether an investigation should be undertaken by a court of inquiry or other formal administrative board procedure.

(9) Procedures for ensuring that the rights of persons under the Uniform Code of Military Justice, administrative procedures, and other applicable laws and regulations are protected during the course of an investigation and subsequent review procedures.

(10) Guidance for ensuring that military and civilian officials in the chain of command receive timely instruction and advice on the procedures for undertaking appropriate management actions during the pendency of an investigation without interfering with the investigation or engaging in unlawful command influence.

(11) Procedures for ensuring that investigative materials are organized and presented in a manner that facilitates timely action by reviewing authorities.

(12) Such other matters related to the duties of the Commission as may be specified by the Secretary of Defense or the Commission.

(e) REPORT.—(1) Not later than November 15, 1993, the Commission shall transmit to the Secretary of Defense a report containing the results of its review under subsection (c) and its recommendations in accordance with that subsection.

(2) The Secretary shall transmit the report of the Commission, together with his comments and recommendations, to the congressional defense committees not later than December 15, 1993.

SEC. 912. SENSE OF CONGRESS ON COOPERATION BETWEEN THE ARMY AND THE MARINE CORPS.

(a) FINDINGS.—With respect to the roles and missions of the Army and Marine Corps, the Congress makes the following findings:

(1) Both the Army and the Marine Corps have long and proud traditions of service to the United States in times of war and peace.

(2) The Marine Corps and the Army provide complementary military capabilities that are necessary for carrying out the national military strategy of the United States.

(3) Operation Desert Shield and Operation Desert Storm demonstrated the complementary nature of those capabilities and the substantial degree to which the Army and the Marine Corps can effectively coordinate their activities and cooperate with each other.

(4) The availability of future Federal budget resources for the Army and the Marine Corps is likely to be significantly more limited than the Federal budget resources currently available for the Army and the Marine Corps.

(b) SENSE OF CONGRESS.—(1) It is the sense of Congress that the Army and the Marine Corps should intensify efforts to eliminate unnecessary duplication, to improve interservice coordination, and to specialize in areas in which each has a comparative advantage.

(2)(A) The Congress encourages the Chairman of the Joint Chiefs of Staff to examine whether—

(i) the Army should provide the Marine Corps with armor and heavy fire support needed for mid-intensity and high-intensity combat; or

(ii) the Marine Corps should be equipped with the armor, heavy artillery, and other weapons and sustainability needed to engage in mid-intensity and high-intensity combat independent of the other military services.

(B) In conducting the examination, the Chairman should consider the following actions:

(i) Designating Army artillery battalions equipped with the Multiple Launch Rocket System to support Marine amphibious forces afloat.

(ii) Designating Army tank battalions to support Marine amphibious forces afloat.

(iii) Equipping Maritime Prepositioning Ships with Multiple Launch Rocket System launchers and M1 tanks to be manned by Army units in support of Marine forces.

(iv) Transferring management of all prepositioning shipping on behalf of all of the Armed Forces to the Marine Corps.

(v) Transferring Army shipping and lighterage to the Navy.

(C) In the consideration of the actions referred to in subparagraph (B), the Chairman should evaluate the logistics, training, and operational implications of each action.

(D) If the Chairman recommends that the Marine Corps be equipped with the armor, heavy artillery, other weapons, and sustainability necessary for engaging in mid-intensity and high-intensity combat independent of the other services, the Chairman should determine, as part of the examination under this paragraph, the following:

(i) What additional procurement requirements and costs are necessary to equip the Marine Corps to meet the demands of mid-intensity and high-intensity combat.

(ii) The adequacy of current prepositioning programs, mine warfare capability, naval fire support, and night fighting capability to meet the demands of mid-intensity and high-intensity combat.

(3) The Chairman should consider the matters set forth in paragraphs (1) and (2) and the options for streamlining the roles and missions of the Army and the Marine Corps in the performance of his responsibilities under section 153(b) of title 10, United States Code.

SEC. 913. NATIONAL GUARD AND RESERVE COMPONENT OPERATIONAL SUPPORT AIRLIFT STUDY.

(a) STUDY REQUIRED.—The Secretary of Defense shall undertake a study of operational support airlift aircraft and administrative transport airlift aircraft operated by the National Guard and the reserve components.

(b) STUDY REQUIREMENTS.—The study required by subsection (a) shall include the following:

(1) An inventory of all operational support airlift aircraft and administrative transport airlift aircraft that are operated by the reserve components.

(2) The peacetime utilization rate of such aircraft.

(3) The wartime mission of such aircraft.

(4) The need for such aircraft for the future base force.

(5) The current age, projected service life, and programmed retirement date for such aircraft.

(6) A list of aircraft programmed in the fiscal year 1994 future years defense program to be purchased for the reserve components or to be transferred from the active components to the reserve components.

(7) The funds programmed in the fiscal year 1994 future years defense program for procurement of replacement operational support and administrative transport airlift aircraft, and the acquisition strategy proposed for each type of replacement aircraft so programmed.

(c) DEFINITION.—In this section, the term "future years defense program" means the multiyear defense program submitted to Congress pursuant to section 114a of title 10, United States Code.

SEC. 914. CONTINUING REQUIREMENT FOR REPORTING ON OPERATIONAL ACTIVITIES.

(a) IN GENERAL.—Chapter 2 of title 10, United States Code, is amended by inserting after section 116 the following new section 117:

"§ 117. Continuing requirement for reporting on operational activities

"(a)(1) The Secretary of Defense shall ensure that the Committees on Armed Services of the Senate and House of Representatives are fully and currently informed of all operational activities carried out by members of the armed forces or employees of the Department of Defense.

"(2) Matters covered by the War Powers Resolution (50 U.S.C. 1541 et seq.) shall be reported in accordance with the provisions of that resolution.

"(b) The head of any other department or agency (including the head of any independent establishment) of the Federal Government shall submit to the Committees on Armed Services of the Senate and the House of Representatives any information requested by either such committee relating to any operational activity referred to in subsection (a)(1).

"(c) Information required to be submitted under subsection (a) or (b) may not be withheld from a committee referred to in such subsection on the grounds that such information would constitute the unauthorized disclosure of classified information.

"(d) In this section, the term 'operational activity' means an activity that involves the introduction of a unit or units of the armed forces into the territory, including the airspace and waters, of another country for other than traditional peacetime military activities or routine support of such activities.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 116 the following new item:

"117. Continuing requirement for reporting on operational activities.".

SEC. 915. LIMITATION REGARDING SUBMISSION OF THE ROLES AND MISSIONS REPORT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) LIMITATION.—Not more than 50 percent of the total amount appropriated pursuant to an authorization of appropriations contained in title I or II of this Act that is made available for a program referred to in subsection (b) may be obligated for such program until 60 days after the Secretary of Defense—

(1) has submitted to Congress the budget request for fiscal year 1994 for the Department of Defense; and

(2) has submitted to the congressional defense committees a copy of the first report on assignment of roles and missions of the armed forces that the Chairman of the Joint Chiefs of Staff submits to the Secretary of Defense pursuant to section 153(b) of title 10, United States Code, after January 1, 1992.

(b) APPLICABILITY.—Subsection (a) applies to the following programs:

(1) The F-22 Advanced Tactical Fighter program.

(2) The F-18E/F fighter program.

(3) The AX/ATA attack aircraft program.

(4) The Patriot Product Improvement Program.

(5) The Hawk Product Improvement Program.

Subtitle B—Drug Interdiction and Counter-Drug Activities

SEC. 921. ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.

Section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 374 note) is amended—

(1) in subsection (a), by striking out "and 1993," and inserting in lieu thereof "1993, and 1994,";

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

"(9) Detection, monitoring, and communication of the movement of traffic at, near, and outside the geographic boundaries of the United States.

"(10) Linguist and intelligence analysis services.";

(3) by redesignating subsections (c) through (g) as subsections (d) through (h), respectively;

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

"(c) 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."; and

(5) in subsection (g)(2), as redesignated by paragraph (3), by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)".

SEC. 922. MAINTENANCE AND OPERATION OF EQUIPMENT.

Section 374(b)(2)(A) of title 10, United States Code, is amended by inserting "and land traffic at, near, and outside the geographic boundaries of the United States" before the period at the end.

SEC. 923. EXTENSION OF AUTHORITY TO TRANSFER EXCESS PERSONAL PROPERTY.

Section 1208(c) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 10 U.S.C. 372 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

SEC. 924. COUNTER-DRUG SENSOR MIX STUDY.

(a) REQUIREMENT FOR STUDY AND REPORT.—The Secretary of Defense shall—

(1) conduct a study of the land-based, sea-based, and air-based systems used by the Department of Defense in carrying out activities relating to the reconnaissance, detection, and monitoring of drug traffic; and

(2) submit to Congress a report on the results of the study.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) An assessment of the capabilities, strengths, and weaknesses of the systems referred to in subsection (a).

(2) An evaluation of the feasibility and desirability of using airships to carry out the activities referred to in subsection (a).

(3) Recommendations regarding the optimal and most cost-effective combination of use of such systems to carry out such activities.

(c) LIMITATION ON OBLIGATION OF FUNDS.—(1) Except as provided in paragraph (2), none of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1993 pursuant to an authorization of appropriations in this Act may be obligated or expended for the procurement or upgrading of a counter-drug reconnaissance, detection, and monitoring system, for research and development with respect to such a system, or for the lease or rental of such a system until the Secretary submits to Congress the report required under subsection (a).

(2) Paragraph (1) shall not prohibit obligations or expenditures of funds for any procurement, upgrading, research and development, or lease of a system that is necessary to carry out the study required under subsection (a).

SEC. 925. DEMAND REDUCTION PROGRAM.

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

(1) The flow of illegal drugs into the United States has not declined appreciably in recent years.

(2) While interdiction of illegal drugs helps to reduce the flow of such drugs into the United States, reduction of demand for such drugs in the United States is the most effective way to reduce that flow.

(3) Members of the Armed Forces have been more successful than persons in other segments of society in reducing their use of illegal drugs.

(4) The active and reserve components of the Armed Forces have conducted a successful outreach program to reduce demand for illegal drugs in the vicinity of military installations and National Guard facilities.

(5) It is in the interest of the United States that, to the maximum extent practicable, the outreach program be expanded to include regions beyond the vicinity of military installations and National Guard facilities and to focus on youths, in general, and inner-city youths, in particular.

(b) DEMAND REDUCTION ACTIVITIES.—The Secretary of Defense shall conduct an outreach program in order to reduce demand for illegal drugs among youths. The Secretary shall conduct the program as follows:

(1) By providing travel and living allowances to members of the Armed Forces to permit such members to carry out the current demand reduction outreach program in areas beyond the vicinity of military installations and National Guard facilities.

(2) By establishing and operating camps for youths (including providing food and lodging) to provide programs and activities that encourage reduction in the demand by such youths for illegal drugs.

(3) By providing for opportunities in which appropriate personnel of the Armed Forces act as role models for youths.

(4) By providing self-worth, self-esteem, motivational, and basic skills training to youths.

(5) By providing substance abuse counseling and treatment services.

(6) By providing support for community drug treatment and prevention programs.

(7) By providing appropriate training to substance abuse counselors.

(8) By carrying out such other activities as the Secretary determines advisable to encourage the reduction in demand for illegal drugs among members of the civilian population of the United States.

(c) FUNDING.—Notwithstanding any other provision of law, funds available to the Department of Defense for drug interdiction and counter-drug activities may be used for carrying out the program described in subsection (b).

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 1993 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 of Defense may transfer under the authority of this section may not exceed $1,500,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1002. RESTATEMENT OF REQUIREMENT FOR MISSION BUDGET.

(a) IN GENERAL.—(1) Section 114a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) MULTIYEAR MISSION BUDGET.—(1) The Secretary of Defense shall submit to Congress a multiyear budget for the Department of Defense with the budget submitted pursuant to section 1105 of title 31. The multiyear budget shall be consistent with the multiyear defense plan required under subsection (a). In the multiyear budget the military programs within the Department of Defense shall be organized on the basis of major roles, missions, or forces of the Department of Defense.

"(2) The requirement in paragraph (1) is in addition to the requirements in any other provision of law regarding the format for the presentation regarding military programs of the Department of Defense in the budget submitted pursuant to section 1105 of title 31.".

(2) The amendment made by subsection (a) shall apply with respect to the budgets submitted to Congress under section 1105 of title 31, United States Code, for fiscal years after fiscal year 1993.

(b) CONFORMING REPEAL.—Section 1404 of the National Defense Authorization Act of Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1675; 10 U.S.C. 114a note) is repealed.

SEC. 1003. ADDITIONAL TRANSITION AUTHORITY REGARDING CLOSING APPROPRIATION ACCOUNTS.

Section 1405(b) of the National Defense Authorization Act for Fiscal Year 1991 (31 U.S.C. 1551 note) is amended by inserting after paragraph (7) the following new paragraph:

"(8) OBLIGATIONS AND ADJUSTMENTS OF OBLIGATIONS FOR EXPIRED BUT NOT CLOSED ACCOUNTS.—(A) Subject to subparagraphs (B),

(C), and (D), in the case of an appropriation account for a fiscal year before fiscal year 1992 for which the period of availability for obligation has expired but which has not been closed under the provisions of section 1552(a) of title 31, United States Code, or paragraph (4) of this section, an obligation and an adjustment of an obligation may be charged to any current appropriation account of the Department of Defense that is available for the same purpose as the expired account if—

"(i) the obligation would have been properly chargeable to the expired account before the end of the period of availability of that account; and

"(ii) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense.

"(B) The total amount charged to a current appropriation account under subparagraph (A) may not exceed an amount equal to the lesser of—

"(i) one percent of the total amount of the appropriations for that account; or

"(ii) one percent of the total amount of the appropriations for the expired account.

"(C) No obligation or adjustment of an obligation may be charged pursuant to the provisions of this paragraph until the congressional defense committees are notified of the intent to make such a charge and a period of 30 days elapses after the notification is submitted.

"(D) CERTIFICATIONS.—No obligation or adjustment of an obligation may be charged pursuant to the provisions of this paragraph until the Secretary of Defense certifies to Congress—

"(i) That the limitations on expending and obligating amounts established pursuant to section 1341 of title 31, United States Code are being observed within the Department of Defense; and

"(ii) That reports on any violations of section 1341, whether intentional or inadvertent, are being submitted to the President and Congress immediately and with all relevant facts and a statement of actions taken as required by section 1351 of title 31, United States Code.".

Subtitle B—Supplemental Authorization of Appropriations for Operation Desert Storm

SEC. 1011. EXTENSION OF SUPPLEMENTAL AUTHORIZATIONS.

Sections 101, 102(c), and 106 of Public Law 102-25 (105 Stat. 78) are each amended by striking out "fiscal years 1991 and 1992" each place it appears and inserting in lieu thereof "fiscal years 1991, 1992, and 1993".

SEC. 1012. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of Defense for fiscal year 1992 in accordance with subsection (a) of section 101 of Public Law 102-25 (105 Stat. 78), to be available under subsection (b)(1) of such section, the sum of $429,000,000 for military personnel as follows:

(1) ARMY.—For the Army, $399,000,000.

(2) NAVY.—For the Navy, $30,000,000.

(b) INCREASED LIMITATION ON AUTHORITY FOR TRANSFER OF FISCAL YEAR 1992 AUTHORIZATIONS.—The total amount of the transfer authority provided for the Secretary of Defense for fiscal year 1992 in Public Law 102-190 or any other Act is increased by the amounts of the funds appropriated pursuant to subsection (a) that are transferred to fiscal year 1992 appropriations accounts pursuant to sections 101 and 102(c) of Public Law 102-25, as amended by section 1011.

SEC. 1013. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1993.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of Defense for fiscal year 1993 in accordance with subsection (a) of section 101 of Public Law 102-25 (105 Stat. 78), to be available under subsection (b) of such section, the sum of $87,700,000 for military personnel as follows:

(1) ARMY.—For the Army, $29,300,000.

(2) NAVY.—For the Navy, $35,300,000.

(3) MARINE CORPS.—For the Marine Corps, $3,100,000.

(4) AIR FORCE.—For the Air Force, $20,000,000.

(b) INCREASED LIMITATION ON AUTHORITY FOR TRANSFER OF FISCAL YEAR 1993 AUTHORIZATIONS.—The amount of the transfer authority provided in section 1001 is increased by the amounts of the funds appropriated pursuant to subsection (a) that are transferred to fiscal year 1993 appropriations accounts pursuant to sections 101 and 102(c) of Public Law 102-25, as amended by section 1011.

SEC. 1014. RELATIONSHIP TO OTHER AUTHORIZATIONS.

The authorizations of appropriations in sections 1012 and 1013 are in addition to the amounts otherwise authorized to be appropriated to the Department of Defense for fiscal year 1992 and for fiscal year 1993 by any other provision of this Act or by any other Act enacted before the date of the enactment of this Act.

Subtitle C—Defense Maritime Logistical Readiness

SEC. 1021. FINDINGS.

The Congress finds that it is in the national security and economic interests of the United States for the United States to have a strong and economically viable industry of commercial oceangoing and intermodal transportation that uses privately owned and operated merchant vessels documented under the laws of the United States.

SEC. 1022. TRANSPORTATION OF DEPARTMENT OF DEFENSE CARGOES BY WATER.

(a) USE OF PRIVATELY OWNED UNITED STATES FLAG VESSELS.—Chapter 157 of title 10, United States Code, is amended—

(1) by striking out section 2631;

(2) by striking out the item relating to that section in the table of sections for such chapter;

(3) by inserting above the table of sections the following:

"SUBCHAPTER II—MISCELLANEOUS";

and

(4) by inserting below the chapter heading the following:

"Subchapter	Sec.
"I. Transportation of Cargoes by Water	2631
"II. Miscellaneous	2632

"SUBCHAPTER I—TRANSPORTATION OF CARGOES BY WATER

"Sec.
"2631. Purposes.
"2631a. Definitions.
"2631b. Procurement regulations and practices.
"2631c. Contingency planning.
"2631d. Vessels used.
"2631e. Transportation contracts.
"2631f. Logistics readiness agreements.
"2631g. Charges.

"§ 2631. Purposes

"The purposes of this subchapter are—

"(1) to clarify when it is necessary for privately owned and operated United States flag vessels to be used for transporting Department of Defense cargoes by water;

"(2) to establish standards for the procurement and pricing of services for the transportation of Department of Defense cargoes by water and for the distribution of the cargoes so transported;

"(3) to reduce to a minimum the number of cargo transportation vessels owned, chartered, controlled, or operated by or for the United States Government that are used for transporting Department of Defense cargoes in peacetime in competition with privately owned and operated commercial vessels;

"(4) to encourage and promote the development and maintenance of a financially strong, privately owned and operated fleet of United States flag merchant vessels;

"(5) to make the greatest practicable use of the transportation capacity and services of operators of privately owned United States flag merchant vessels for the transportation of Department of Defense cargoes by water; and

"(6) to limit the acquisition, for ownership by the United States Government, of cargo vessels that would duplicate the shipping capacity of the privately owned United States flag merchant vessels.

"§ 2631a. Definitions

"In this subchapter:

"(1) The term 'Department of Defense cargo' means any supplies, goods, or other cargo owned, leased, or provided to, for, or by the armed forces that are transported by water or by intermodal service including a water segment, except that such term does not include military cargo designated by the Secretary of Defense as sensitive when private contractors proposing to carry such cargo do not have the security clearances necessary for carrying such cargo.

"(2) The term 'supplies', with respect to transportation, means all property, except land and interests in land, that at the time of transportation is readily identifiable for eventual use by the armed forces. Such term includes public works, buildings and facilities, ships, floating equipment, and vessels of every character, type, and description (together with parts, subassemblies, accessories, equipment, machine tools, and related material), stores of all kinds, and end items.

"(3) The term 'goods' includes property of armed forces personnel and items intended for eventual sale within a commissary or exchange store.

"(4) The term 'other cargo' includes any item that is provided by, arranged by, donated by, sold at less than market value by, or funded or purchased on credit provided or guaranteed by, or for which the transportation is funded or financially supported by, the Department of Defense for any other department or agency of the Federal Government, any foreign government, any international organization, or any person.

"§ 2631b. Procurement regulations and practices

"The Secretary of Defense shall prescribe regulations (including procedures) and establish practices for the procurement of transportation by water and related distribution services for Department of Defense cargoes. The regulations and practices shall carry out section 2631 of this title and the purposes set forth in that section. The Secretary shall administer the implementation of the regulations and the required practices.

"§ 2631c. Contingency planning

"(a) CONSIDERATION OF PRIVATE CAPABILITIES.—The Secretary of Defense shall ensure

that all studies and reports of the Department of Defense, and all actions taken in the Department of Defense, concerning sealift and related intermodal transportation requirements take into consideration the full range of the transportation and distribution capabilities that are available from operators of privately owned United States flag merchant vessels.

"(b) PRIVATE CAPACITIES PRESENTATIONS.—The Secretary shall afford each operator of a vessel referred to in subsection (a), not less often than annually, an opportunity to present to the Department of Defense information on its port-to-port and intermodal transportation capacities.

"(c) PRIVATE PARTICIPATION IN STUDIES AND REPORTS.—The Secretary shall ensure that each operator of a vessel referred to in subsection (a) is afforded an opportunity to participate in the development of studies referred to in that subsection and the preparation of reports referred to in that subsection.

"(d) CERTIFICATION REQUIREMENT.—The Secretary shall submit to the Secretary of Transportation, not less often than annually, a certification of compliance with the requirements of subsections (b) and (c).

"§ 2631d. Vessels used

"(a) PROHIBITION.—Except in time of war, in time of a national emergency declared by the President or Congress, or as provided in subsection (b)(3), vessels owned by the United States may not be operated in competition with privately owned United States flag commercial merchant vessels.

"(b) VESSELS TO BE USED.—(1) Department of Defense cargoes shall be transported on privately owned and operated United States flag commercial merchant vessels whenever such vessels are available with reasonable timeliness.

"(2) A privately owned United States flag merchant vessel under time charter or voyage charter to, or engaged under a contract of affreightment by, the United States may be used for the transportation of a Department of Defense cargo to the extent that vessels described in paragraph (1) are not available with reasonable timeliness.

"(3) A United States flag vessel owned, demise chartered, or otherwise controlled by the United States Government may be used for the transportation by water of Department of Defense cargoes to the extent that vessels described in paragraphs (1) and (2) are not available with reasonable timeliness.

"(4) Foreign flag vessels may be used for the transportation of Department of Defense cargoes to the extent that vessels described in paragraphs (1), (2), and (3) are not available with reasonable timeliness or when operated as a feeder ship in conjunction with a privately owned and operated United States flag liner vessel.

"(5) The availability of vessels with reasonable timeliness shall be determined in accordance with regulations prescribed by the Secretary of Defense.

"§ 2631e. Transportation contracts

"(a) PROHIBITED CONTRACT PROVISIONS.—(1) A contract for the transportation of Department of Defense cargoes by water, or for intermodal service that includes transportation by water, by a common carrier may not include terms or conditions which impair the ability of the contractor to own or operate foreign flag vessels in addition to the United States flag merchant vessels.

"(2) Except as provided in section 2631f(a) of this title and except in time of war or in time of a national emergency declared by the President or Congress, the contract may not include terms or conditions which interfere with the contractor's ability to meet its common carrier obligations to the general public.

"(b) INAPPLICABILITY OF FEE LIMITATION.—Section 2306(d) of this title shall not apply to contracts referred to in subsection (a).

"§ 2631f. Logistics readiness agreements

"(a) AGREEMENTS REQUIRED.—The Secretary of Defense shall enter into logistics readiness agreements with the contractors holding contracts referred to in section 2631e(a) of this title. The agreement with a contractor shall contain the terms and conditions under which the contractor shall, in time of war, national emergency, or foreign crisis, provide services to meet the transportation requirements projected under subsection (d). The agreement may also include provisions for the contractor to meet surge or other transportation requirements.

"(b) CAPACITY PROCURED.—(1) Except as provided in paragraph (2), the Secretary shall enter into logistics readiness agreements for capacity equal to at least the entire requirement projected under subsection (d).

"(2) The total capacity covered by logistics readiness agreements may be less than the capacity required by paragraph (1) to the extent that the contractors referred to in subsection (a) do not offer sufficient capacity to meet the entire requirement.

"(c) REQUIRED PROVISIONS.—A logistics readiness agreement shall contain the following provisions:

"(1) The basic terms for providing transportation and distribution services for Department of Defense cargoes.

"(2) The capacity and services guaranteed, including—

"(A) vessel transportation, intermodal services, and shoreside services; and

"(B) computer-tracking capabilities.

"(3) Provision for the negotiation, as needed, of additional terms and specific rates and charges for transportation and distribution services that become necessary to meet specific conditions of a war, national emergency, or foreign regional crisis.

"(d) COORDINATION OF POST-SURGE TRANSPORTATION REQUIREMENTS WITH THE SECRETARY OF TRANSPORTATION.—The Secretary of Defense shall submit to the Secretary of Transportation at least annually the Department of Defense projections of weekly post-surge requirements, in excess of normal peacetime requirements, for the transportation of Department of Defense cargoes to meet logistic and war fighting requirements in the event of war or other national emergency or in response to foreign regional crises.

"§ 2631g. Charges

"Notwithstanding any other provision of law, freight charges and other charges for services under a contract referred to in section 2631e of this title or a logistics readiness agreement referred to in section 2631f of this title shall be earned upon tender to and acceptance of the cargo by the contractor. If such amounts are not paid within 30 days after the submission of the contractor's invoice to the Department of Defense, a late payment charge shall accrue beginning on the thirty-first day after the date of the submission. The late payment charge shall accrue at the rate then in effect for interest payments under section 12 of the Contracts Disputes Act of 1978 (41 U.S.C. 611).".

(b) TRANSITION REQUIREMENT.—Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall commence negotiations with contractors holding contracts referred to in subsection (a) of section 2631e of title 10, United States Code (as added by subsection (a)), for the purpose of entering into logistics readiness agreements referred to in section 2631f of such title (as added by subsection (a)). Within 180 days after that date, the Secretary shall enter into such agreements as are mutually acceptable to the Secretary and the contractors concerned. Each agreement entered into pursuant to this subsection shall be for an initial term of not less than 5 years.

SEC. 1023. MODERNIZING OTHER PROGRAMS.

(a) REQUIRED ACTIONS.—The Secretary of Defense and the Secretary of Transportation shall promptly take such actions as are appropriate to modernize, update, revise, or eliminate the current Sealift Readiness Program consistent with this subtitle and the amendments made by section 1022(a).

(b) PROHIBITED ACTIONS.—No agency of the United States Government may require a party to a logistics readiness agreement referred to in section 2631f of title 10, United States Code (as added by section 1022(a)), to enter into or remain enrolled in the Sealift Readiness Program or any similar program as a condition for being awarded a contract to provide transportation or distribution services, whether or not such contract is covered by section 2631e of such title.

Subtitle D—Technical Amendments

SEC. 1031. AMENDMENTS TO TITLE 10, UNITED STATES CODE.

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

(1) The table of sections at the beginning of subchapter II of chapter 21 is amended by inserting "Sec." above "431.".

(2) Section 571(a) is amended by inserting a period at the end of each item in the table.

(3) Section 574(d)(3) is amended by striking out "active duty list" and inserting in lieu thereof "active-duty list".

(4) The heading of section 578 is amended by striking out the first semicolon and inserting in lieu thereof a colon.

(5) Section 581(d)(2) is amended by striking out "Board" both places it appears and inserting in lieu thereof "board".

(6) The table of sections at the beginning of chapter 33A is amended—

(A) by inserting "to be" in the item relating to section 576 after "Information"; and

(B) by striking out the first semicolon in the item relating to section 578 and inserting in lieu thereof a colon.

(7) Section 615 is amended—

(A) in subsection (b)(5), by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)"; and

(B) in subsection (d), by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)".

(8) Sections 616(a), 617(a), 618(a)(1), and 618(a)(2) are each amended by striking out "section 615(a)" and inserting in lieu thereof "section 615(b)".

(9) Section 618(b) is amended by striking out "section 615(b)" in paragraphs (2)(A) and (4) and inserting in lieu thereof "section 615(c)".

(10) Section 628(b)(1) is amended by striking out "section 558" and inserting in lieu thereof "section 573".

(11) Section 945(a)(1) is amended by striking out "section 943(e)(1)(B) of this title (art. 143(e)(1)(B))" and inserting in lieu thereof "section 942(e)(1)(B) of this title (article 142(e)(1)(B))".

(12) Section 1052(b) is amended by inserting a close parenthesis before the period at the end.

(13) Section 1079(j)(2)(B) is amended by inserting a close parenthesis after "1395x(dd)(2)".

(14) Section 1104 is amended—

(A) by striking out "section 5011 of title 38" in subsections (a), (b), and (c) and inserting in lieu thereof "section 8011 of title 38"; and

(B) by striking out "section 5011A of title 38" in subsection (d) and inserting in lieu thereof "section 8011A of title 38".

(15) Section 1174a(c)(2) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "December 5, 1991".

(16) Section 1175 is amended—

(A) in subsection (a), by striking out "Reserve component" and inserting in lieu thereof "reserve component"; and

(B) in subsection(d)(1), by striking out "prior to the time this provision is enacted" and inserting in lieu thereof "before December 5, 1991".

(17) Section 1263(a) is amended by striking out "564 note" and inserting in lieu thereof "580 note".

(18) Section 1401(a) is amended by striking out "564" in the column in the table under the heading "For sections" and inserting in lieu thereof "580".

(19) Section 1581(b) is amended by striking out "the date of the enactment of this section" in paragraphs (1) and (2) and inserting in lieu thereof "December 5, 1991,".

(20) Section 1592 is amended by inserting "section" after "established under".

(21) Section 1733(b)(1)(B)(ii) is amended by striking out "1736(a)(3)" and inserting in lieu thereof "1737(a)(3)".

(22) Chapter 106 is amended—

(A) in section 2131(c)—

(i) by striking out "section 1795 of title 38" in paragraph (2) and inserting in lieu thereof "section 3695 of title 38";

(ii) by striking out "of this subparagraph, his or her" in paragraph (3)(B)(ii) and inserting in lieu thereof ", the individual's"; and

(iii) by striking out "of this paragraph." in paragraph (3)(C) and inserting in lieu thereof a period;

(B) in section 2133(b)—

(i) by striking out "section 1431(f) of title 38" in paragraph (2) and inserting in lieu thereof "section 3031(f) of title 38"; and

(ii) by striking out "section 1431(d) of title 38" in paragraph (3) and inserting in lieu thereof "section 3031(d) of title 38"; and

(C) in section 2136—

(i) by striking out "sections 1670" in subsection (b) and all that follows through "1792)" and inserting in lieu thereof "sections 3470, 3471, 3473, 3474, 3476, 3482(g), 3483, and 3485 of title 38 and the provisions of subchapters I and II of chapter 36 of such title (with the exception of sections 3680(c), 3686(a), 3687, and 3692)"; and

(ii) by striking out "section 1673(b) of title 38)" in subsection (c)(1) and inserting in lieu thereof "section 3473(b) of title 38)".

(23) Section 2304(j)(3)(A) is amended by striking out "section 8(e) of the Small Business Act (15 U.S.C. 637(e))" and inserting in lieu thereof "section 8(d) of the Small Business Act (15 U.S.C. 637(d))".

(24) Section 2307(e) is amended by striking out "(1)" after "(e)" and inserting in lieu thereof "(1)".

(25)(A) Section 2322 is repealed.

(B) The table of sections at the beginning of chapter 137 is amended by striking out the item relating to section 2322.

(26) Section 2324 is amended—

(A) by striking out subsection (f)(5); and

(B) in subsection (l)—

(i) by striking out "subsection (e)(2)(C)" in paragraph (2) and inserting in lieu thereof "paragraph (3)"; and

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

"(3) The committees named in this paragraph are—

"(A) the Committees on Armed Services and on Government Operations of the House of Representatives; and

"(B) the Committees on Armed Services and on Governmental Affairs of the Senate.".

(27) Section 2372(e)(1) is amended by striking out "on the day before" and all that follows through the semicolon and inserting in lieu thereof "on December 4, 1991;".

(28) Section 2391(b)(1)(C) is amended by striking out "publicly-announced" and inserting in lieu thereof "publicly announced".

(29) Section 2397(a)(1) is amended by striking out "that contract" and inserting in lieu thereof "that the contract".

(30) Section 2409 is amended by striking out subsection (d).

(31) Section 2503(6) is amended by striking out "section 2508" and inserting in lieu thereof "section 2522".

(32) Section 2507(d)(3)(A) is amended by striking out "government-owned" and inserting in lieu thereof "Government-owned".

(33) Section 2509(b) is amended—

(A) in paragraph (1), by striking out "section 2508" and inserting in lieu thereof "section 2522"; and

(B) in paragraph (5)(B)(ii), by striking out "five-year defense program" and inserting in lieu thereof "multiyear defense program".

(34) Section 2701(j) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993" and inserting in lieu thereof "December 5, 1991,".

(35) Section 2708 is amended—

(A) in subsection (b)(1)—

(i) by striking out "all contracts" and inserting in lieu thereof "each contract"; and

(ii) by striking out "all subcontracts under such contracts" and inserting in lieu thereof "any subcontract under any such contract"; and

(B) in subsection (d), by striking out "For purposes of" and inserting in lieu thereof "In".

(36) Section 2801(d) is amended by striking out "sections 2828(g) and 2830" and inserting in lieu thereof "sections 2830 and 2835".

(37) Section 2902(b)(9) is amended by striking out "non-voting" and inserting in lieu thereof "nonvoting".

(38) Section 6325(b) is amended by striking out "section 602 or 5721" and inserting in lieu thereof "section 602 (as in effect before February 1, 1992) or section 5721".

(39) Section 8252 is amended—

(A) by striking out "(a) Except as provided in subsection (b), in" and inserting in lieu thereof "In"; and

(B) by striking out subsection (b).

(b) EFFECTIVE DATE.—(1) Except as provided paragraph (2), the amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) The amendment made by paragraph (30) of subsection (a) shall take effect as if enacted immediately following the enactment of Public Law 102-25 (105 Stat. 75).

SEC. 1032. CODIFICATION OF RECURRING PROVISION RELATING TO SUBCONTRACTING WITH CERTAIN NONPROFIT AGENCIES.

(a) POLICY.—Section 2301 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) It is also the policy of Congress that qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to provide approved commodities and services as subcontractors and suppliers under contracts awarded by the Department of Defense.

"(2) In this subsection:

"(A) The term 'qualified nonprofit agency for the blind or other severely handicapped' means—

"(i) a qualified nonprofit agency for the blind, as defined in section 5(3) of the Javits-Wagner-O'Day Act (41 U.S.C. 48b(3)); and

"(ii) a qualified nonprofit agency for other severely handicapped, as defined in section 5(4) of such Act (41 U.S.C. 48b(4)).

"(B) The terms 'approved commodity' and 'approved service' mean a commodity and a service, respectively, that has been determined by the Committee for Purchase from the Blind and Other Severely Handicapped under section 2 of such Act (41 U.S.C. 47) to be suitable for procurement by the Federal Government.

"(C) The term 'Javits-Wagner-O'Day Act' means the Act entitled 'An Act to create a Committee on Purchases of Blind-made Products, and for other purposes', approved June 25, 1938 (41 U.S.C. 46-48c), commonly referred to as the Wagner-O'Day Act, that was revised and reenacted in the Act of June 23, 1971 (85 Stat. 77), commonly referred to as the Javits-Wagner-O'Day Act.".

(b) CREDIT UNDER SMALL BUSINESS SUBCONTRACTING PLAN.—(1) Chapter 141 of title 10, United States Code, as amended by section 829, is further amended by adding at the end the following new section:

"§ 2410g. Subcontracting plans: credit for certain purchases

"(a) PURCHASES BENEFITING SEVERELY HANDICAPPED PERSONS.—In the case of a business concern that has negotiated a small business subcontracting plan with a military department or a Defense Agency, purchases made by that business concern from qualified nonprofit agencies for the blind or other severely handicapped shall count toward meeting the subcontracting goal provided in that plan.

"(b) DEFINITIONS.—In subsection (a):

"(1) The term 'small business subcontracting plan' means a plan negotiated pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) that establishes a goal for the participation of small business concerns as subcontractors under a contract.

"(2) The term 'qualified nonprofit agency for the blind or other severely handicapped' shall have the meaning given that term in section 2301(d)(2) of this title.

"(c) TERMINATION.—This section shall cease to be effective at the end of September 30, 1994.".

(2) The table of sections at the beginning of such chapter, as amended by section 829, is further amended by adding at the end the following new item:

"2410g. Subcontracting plans: credit for certain purchases.".

SEC. 1033. AMENDMENTS TO OTHER LAWS.

(a) PUBLIC LAW 102-190.—Effective as of December 5, 1991, the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190) is amended as follows:

(1) Section 232(b)(2) (105 Stat. 1321) is amended by striking out "United States and" and inserting in lieu thereof "United States and the".

(2) Section 234(a) (105 Stat. 1323) is amended by striking out "FOLLOW-ON" and inserting in lieu thereof "FOLLOW-ON".

(3) Section 702(b)(1)(C) (105 Stat. 1401) is amended by striking out "(15)(D)" and inserting in lieu thereof "(15)".

(4) Section 803(a)(1) (105 Stat. 1414) is amended by inserting open quotation marks at the beginning of the unquoted paragraphs (1), (2), and (3) (within the quoted material in such section).

(5) Section 806(c) (105 Stat. 1419) is amended by inserting a close parenthesis before the period at the end.

(6) Section 822(d)(1) (105 Stat. 1435) is amended by striking out "To the extent provided" and inserting in lieu thereof "Subject to such limitations as may be provided".

(7) Section 1049(b) (105 Stat. 1469) is repealed.

(8) Section 1063(d)(1) (105 Stat. 1476) is amended by striking out "of Public Law 101-25" and inserting in lieu thereof "of Public Law 102-25".

(9) Section 2870(2) (105 Stat. 1562) is amended by inserting "through" after "and all that follows".

(b) PUBLIC LAW 102-25.—Section 361(d) of Public Law 102-25 (105 Stat. 93) is amended by striking out "section 4108(e) of title 38," and inserting in lieu thereof "section 7423(e) of title 38,".

(c) MENTOR-PROTEGE PILOT PROGRAM.—Section 831(m) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended—

(1) in paragraph (2)(C), by striking out "637(a)(13)" and inserting in lieu thereof "637(a)(15)";

(2) by redesignating the second paragraph (6) and paragraph (7) as paragraphs (7) and (8), respectively; and

(3) in paragraph (8), as so redesignated, by striking out "section 46 of title 41, United States Code," and inserting in lieu thereof "the first section of the Act of June 25, 1938 (41 U.S.C. 46; popularly known as the 'Wagner-O'Day Act'),".

(d) TITLE 31, UNITED STATES CODE.—

(1) The items relating to sections 1551 and 1552 in the table of sections at the beginning of chapter 15 of title 31, United States Code, are amended to read as follows:

"1551. Definitions; applicability of subchapter.
"1552. Procedure for appropriation accounts available for definite periods.".

(2) The heading of section 1551 of such title is amended to read as follows:

"§ 1551. Definitions; applicability of subchapter".

(e) PUBLIC LAW 101-533.—Section 3(c)(2) of Public Law 101-533 (22 U.S.C. 3142) is amended by striking out "section 2368 of title 10" and inserting in lieu thereof "section 2522 of title 10".

SEC. 1034. MISCELLANEOUS TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended as follows:

(1) Section 301d(c) is amended—

(A) in paragraph (2), by striking out "owned" and inserting in lieu thereof "owed"; and

(B) in paragraph (3), by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1991" and inserting in lieu thereof "November 5, 1990".

(2) Section 303a(b) is amended by striking out "301d," after "such sections".

(3) Section 406(g)(1)(A) is amended by inserting a semicolon after "title 10".

(4) Section 406b(d) by striking out "Section 420" and inserting in lieu thereof "Section 421".

(5) Section 559(c)(3)(A)(i) is amended by striking out "of this subparagraph".

(6) Section 1007(i)(3) is amended by striking out "and warrant officers" and inserting in lieu thereof ", warrant officers, and limited duty officers".

(b) REPEAL OF OBSOLETE PROVISION.—Section 301b of title 37, United States Code, is amended—

(1) by striking out subsection (j); and

(2) by redesignating subsection (k) as subsection (j).

(c) BASE CLOSURE ACT.—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—

(1) in section 2903(c)(4)—

(A) by striking out "(4)" the first place it appears; and

(B) by striking out the first sentence; and

(2) in section 2906, by striking out "(d) ACCOUNT" and inserting in lieu thereof "(e) ACCOUNT".

Subtitle E—Miscellaneous Matters

SEC. 1041. REPORT ON THE UNITED STATES STRATEGIC POSTURE IN THE MIDDLE EAST AND PERSIAN GULF REGION.

(a) REQUIREMENT FOR REPORT.—Not later than February 1, 1993, the Secretary of Defense shall submit to the congressional defense committees a report on the United States strategic posture in the Middle East and Persian Gulf region.

(b) CONTENT OF REPORT.—The report shall include a description of the following matters:

(1) The adequacy of United States power projection forces, strategic lift, forward deployed forces, prepositioned materiel, and force sustainability capabilities for protecting United States strategic interests in the Middle East and the Persian Gulf region and to ensure the security of Israel, Egypt, and Persian Gulf states friendly to the United States.

(2) United States policy, plans, and programs for ensuring Israel's military and technological superiority over potential threats.

(3) United States capabilities for assisting Israel in a military emergency and the adequacy of United States military assistance and technology transfer for ensuring that Israel has the capability to deter war and to defend its territory with minimal risk and loss of life.

(4) The state of strategic cooperation between the United States and Israel, including—

(A) a thorough assessment of options for prepositioning in Israel appropriate defense articles for use by the United States in the region; and

(B) an assessment of United States policies, plans, and programs for ensuring that maximum advantage is taken of Israel's strategic location and Israel's ability to provide unique options regarding military technologies and production.

(5) The adequacy of United States power projection forces, military assistance, arms transfers, and cooperation arrangements for ensuring that Egypt, as the leading Arab democracy and a key partner in the Camp David accords, is secure against outside threats and can play a major role in regional security efforts with the United States.

(6) The adequacy of United States power projection forces, military assistance, and arms transfers for protecting the Gulf Cooperation Council States.

(7) The adequacy of the capabilities of the United States and countries friendly to the United States for deterring and defending against long-range missile threats and the use of weapons of mass destruction in the Middle East and the Persian Gulf region.

(c) INTELLIGENCE ASSESSMENT.—As part of the report submitted pursuant to subsection (a), the Secretary of Defense shall provide a military threat assessment for the Middle East and Persian Gulf region. The intelligence assessment shall include a description of—

(1) the overall military threat to United States strategic interests in the Persian Gulf region;

(2) the overall military threat to Israel and the military threats to Israel from individual countries, including an assessment of the Arab-Israeli military balance and a discussion of the changes taking place in that balance;

(3) the military threats to Egypt;

(4) the military threats to the Gulf Cooperation Council States; and

(5) the threats to United States interests and to regional States friendly to the United States that result from the proliferation of long-range missiles and weapons of mass destruction.

(d) FORM OF REPORT.—The report may be submitted in classified and unclassified forms.

SEC. 1042. STUDY OF PROVIDING FORWARD PRESENCE OF NAVAL FORCES DURING PEACETIME.

(a) ANALYSIS REQUIRED.—The Secretary of Defense shall conduct an analysis of options for providing forward presence of naval forces during peacetime. The analysis shall include an evaluation of the following considerations:

(1) The requirements of the commanders of the combatant commands for providing naval forces for forward peacetime presence.

(2) The capacity of alternative groups of naval forces, including aircraft carriers, large amphibious ships, and large surface combatants, to fulfill the forward presence mission.

(3) Potential locations and associated costs for homeporting additional aircraft carriers or other naval forces overseas.

(4) Estimated operations cost differentials for supporting forward naval operations.

(5) Estimated investment cost differentials for supporting forward naval operations.

(6) Potential availability of facilities for supporting forward naval operations.

(7) Potential host nation support or other offset contributions.

(b) REPORT.—The Secretary of Defense shall submit to the congressional defense committees a report on the analysis required by subsection (a). Funds appropriated or otherwise made available to the Department of Defense for fiscal year 1994 may not be obligated for the aircraft carrier replacement program until the Secretary of Defense submits the report to the congressional defense committees.

SEC. 1043. PROHIBITION ON CONTRACTING WITH SUPPORTERS OF THE SECONDARY ARAB BOYCOTT OF ISRAEL.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, as amended by section 1032, is further amended by adding at the end the following new section:

"§ 2410h. Prohibition on contracting with supporters of the secondary Arab boycott of Israel

"(a) Under section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign

countries against other countries friendly to the United States or against any other United States person.

"(b)(1) Consistent with the policy referred to in subsection (a), no Department of Defense prime contract in excess of the small purchase threshold, as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), may be awarded to a foreign person, foreign company, or other foreign entity unless that person, company, or entity certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel.

"(2) The Secretary of Defense may waive the prohibition in paragraph (1) in specific instances when the Secretary determines that the waiver is necessary in the national security interests of the United States. Within 15 days after the end of each calendar quarter, the Secretary shall submit to Congress a report identifying each contract for which a waiver was granted under this paragraph during such quarter.

"(c) Subsection (b) does not apply to contracts for consumable supplies, provisions, or services that are intended to be used for the support of the United States or of allied forces in a foreign country, or to contracts pertaining to the use of any equipment, technology, data, or services for intelligence or classified purposes, or to the acquisition or lease of any such equipment, technology, data, or services, by the United States Government in the interests of national security.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter, as amended by section 1032, is further amended by inserting after the item relating to section 2410d the following:

"2410h. Prohibition on contracting with supporters of the secondary Arab boycott of Israel.".

SEC. 1044. EMPLOYMENT AUTHORITY REGARDING CIVILIAN FACULTY MEMBERS OF THE DEFENSE LANGUAGE INSTITUTE FOREIGN LANGUAGE CENTER.

(a) IN GENERAL.—Section 4021 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "or the United States Army Command and General Staff College" and inserting in lieu thereof ", the United States Army Command and General Staff College, and the Defense Language Institute Foreign Language Center"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) APPLICATION TO CERTAIN FACULTY MEMBERS.—This section shall not apply with respect to professors, instructors, and lecturers employed at the Army War College or the United States Army Command and General Staff College if the duration of the principal course of instruction offered at the respective college is less than 10 months.".

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

"§ 4021. Army War College, United States Army Command and General Staff College, and Defense Language Institute Foreign Language Center: civilian faculty members".

(2) The item relating to such section in the table of sections for chapter 373 of such title is amended to read as follows:

"4021. Army War College, United States Army Command and General Staff College, and Defense Language Institute Foreign Language Center: civilian faculty members.".

(c) APPLICABILITY.—(1) Except as provided in paragraph (2), section 4021 of title 10, United States Code, shall not apply to a person who was employed as a professor, instructor, or lecturer at the Army War College or the United States Army Command and General Staff College before February 28, 1990.

(2) In the case of a person referred to in paragraph (1) who terminates employment as a professor, instructor, or lecturer at an institution referred to in that paragraph on or after February 28, 1990, section 4021 of title 10, United States Code, shall apply with respect to the employment of such person after that date as a professor, instructor, or lecturer at an institution other than the institution or institutions where that person was employed before that date.

(d) SAVINGS PROVISION.—In the case of a person who, on the day before the date of the enactment of this Act, is employed as a professor, instructor, or lecturer at the Defense Language Institute Foreign Language Center, the Secretary of the Army shall afford the person an opportunity to elect to be paid under the compensation plan authorized by subsection (b) of section 4021 of title 10, United States Code, or to continue to be paid under the General Schedule (with no reduction in pay) under section 5332 of title 5, United States Code.

SEC. 1045. ELECTION OF LEAVE OR LUMP-SUM PAYMENT FOR CERTAIN EMPLOYEES WHO MOVED BETWEEN NONAPPROPRIATED FUND EMPLOYMENT AND DEPARTMENT OF DEFENSE OR COAST GUARD EMPLOYMENT BEFORE APRIL 16, 1991.

(a) ELECTION OF LEAVE OR PAYMENT.—An employee referred to in subsection (b) of section 6308 of title 5, United States Code, who moved between a position referred to in the first sentence of that subsection and a position referred to in the second sentence of that subsection after December 31, 1986, and before April 16, 1991, shall be permitted to elect—

(1) to repay the lump-sum payment received under section 5551(a) of that title in lieu of annual leave and have the annual leave recredited to the employee's leave account; or

(2) to keep the lump-sum payment in lieu of that annual leave.

(b) DEADLINE FOR ELECTION.—An employee shall make an election authorized by subsection (a) within 90 days after receiving a written notification of the provisions of this section from the head of the agency currently employing the employee. An employee who does not make the election within that 90-day period shall be considered to have elected to keep the lump-sum payment.

(c) REPAYMENT OF LUMP-SUM PAYMENT.—An employee who elects to repay the lump-sum payment shall make the repayment not later than 2 years after the date of the election. The repayment by an employee shall be made in one payment of the entire amount of the lump-sum payment received by that employee in lieu of annual leave.

(d) LEAVE CREDITS.—Upon repayment of the lump-sum payment received by an employee, the employee shall be recredited with the annual leave associated with the lump-sum payment. The accounting for the recredited leave shall be separate from the accounting for other leave. Recredited annual leave shall be available until the first day of the third leave year following the leave year in which the leave is recredited.

SEC. 1046. FEDERAL CHARTER FOR MILITARY ORDER OF WORLD WARS.

(a) FEDERAL CHARTER.—The Military Order of the World Wars, a nonprofit corporation organized under the laws of the District of Columbia (in this section referred to as the "corporation"), is recognized as such and is granted a Federal charter.

(b) OBJECTS AND PURPOSES.—The objects and purposes of the corporation are those provided in its bylaws and articles of incorporation and shall include the following:

(1) Promoting military service associations.

(2) Promoting patriotic education and military, naval, and air science.

(3) Defending the honor and integrity of the Federal Government and the Constitution.

(4) Fostering fraternal relations among all branches of the Armed Forces.

(5) Encouraging the adoption of a suitable policy of national security.

(6) Encouraging the commemoration of military service and the establishment of war memorials.

(c) PROHIBITION AGAINST DISCRIMINATION.—In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age, or national origin.

(d) RESTRICTIONS.—(1) The corporation may not make any loan to any officer, director, or employee of the corporation.

(2) The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

(3) The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities.

(e) AUDIT OF FINANCIAL TRANSACTIONS.—The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end the following:

"(75) The Military Order of World Wars.".

(f) ANNUAL REPORT.—The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by subsection (e). The report shall not be printed as a public document.

(g) TAX-EXEMPT STATUS.—The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this section shall expire.

(h) TERMINATION.—The charter granted by this section shall expire if the corporation fails to comply with—

(1) any restriction or other provision of this section;

(2) any provision of its bylaws or articles of incorporation; or

(3) any provision of the laws of the District of Columbia that apply to corporations such as the corporation recognized under this section.

SEC. 1047. FEDERAL CHARTER FOR RETIRED ENLISTED ASSOCIATION, INCORPORATED.

(a) FEDERAL CHARTER.—The Retired Enlisted Association, Incorporated, a nonprofit corporation organized under the laws of the State of Colorado, is recognized as such and is granted a Federal charter.

(b) POWERS.—The Retired Enlisted Association, Incorporated, (in this section referred to as the "corporation") shall have only those powers granted to it through its by-

laws and articles of incorporation filed in the State in which it is incorporated and subject to the laws of such State.

(c) OBJECTS AND PURPOSES.—The objects and purposes of the corporation are those provided in its bylaws and articles of incorporation and shall include—

(1) upholding and defending the Constitution of the United States;

(2) promoting health, prosperity, and scholarship among its members and their dependents and survivors through benevolent programs;

(3) assisting veterans and their dependents and survivors through a service program established for that purpose;

(4) improving conditions for retired enlisted service members, veterans, and their dependents and survivors; and

(5) fostering fraternal and social activities among its members in recognition that cooperative action is required for the furtherance of their common interests.

(d) SERVICE OF PROCESS.—With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

(e) MEMBERSHIP.—Except as provided in subsection (h), eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the articles of incorporation and bylaws of the corporation.

(f) BOARD OF DIRECTORS.—Except as provided in subsection (h), the composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

(g) OFFICERS OF CORPORATION.—Except as provided in subsection (h), the positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

(h) PROHIBITION AGAINST DISCRIMINATION.—In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of the directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age or national origin.

(i) RESTRICTIONS.—(1) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this paragraph shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(2) The corporation may not make any loan to any officer, director, or employee of the corporation.

(3) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(4) The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities by virtue of this section.

(j) LIABILITY.—The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

(k) BOOKS AND RECORDS.—The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this subsection shall be construed to contravene any applicable State law.

(l) AUDIT OF FINANCIAL TRANSACTIONS.—The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law," approved August 30, 1964 (36 U.S.C. 1101), as amended by section 1046 of this Act, is further amended by adding at the end the following:

"(76) The Retired Enlisted Association, Incorporated.".

(m) ANNUAL REPORT.—The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by section 2 of the Act referred to in subsection (l). The report shall not be printed as a public document.

(n) RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER.—The right to alter, amend, or repeal this section is expressly reserved to the Congress.

(o) TAX-EXEMPT STATUS.—The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this section shall expire.

(p) EXCLUSIVE RIGHTS TO NAMES.—The corporation shall have the sole and exclusive right to use the names "The Retired Enlisted Association, Incorporated", "The Retired Enlisted Association", "Retired Enlisted Association", and "TREA", and such seals, emblems, and badges as the corporation may lawfully adopt. Nothing in this subsection may be construed to conflict or interfere with rights that are established or vested before the date of the enactment of this Act.

(q) TERMINATION.—If the corporation fails to comply with any of the restrictions or provisions of this section, the charter granted by this section shall expire.

(r) DEFINITION.—For purposes of this section, the term "State" includes 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.

SEC. 1048. PROGRAM TO COMMEMORATE WORLD WAR II.

(a) IN GENERAL.—The Secretary of Defense may, during fiscal years 1993 through 1995, conduct a program to commemorate the 50th anniversary of World War II and to coordinate, support, and facilitate other such commemoration programs and activities of the Federal Government, State and local governments, and other persons.

(b) USE OF FUNDS.—During fiscal years 1993 through 1995, funds authorized to be appropriated to the Department of Defense for operation and maintenance of Defense Agencies shall be available to conduct the program referred to in subsection (a).

(c) PROGRAM ACTIVITIES.—The program referred to in subsection (a) may include activities and ceremonies—

(1) to provide the people of the United States with a clear understanding and appreciation of the lessons and history of World War II;

(2) to thank and honor veterans of World War II and their families;

(3) to pay tribute to the sacrifices and contributions made on the home front by the people of the United States;

(4) to foster an awareness in the people of the United States that World War II was the central event of the 20th century that defined the postwar world;

(5) to highlight advances in technology, science, and medicine related to military research conducted during World War II;

(6) to inform wartime and postwar generations of the contributions of the Armed Forces of the United States to the United States;

(7) to recognize the contributions and sacrifices made by World War II allies of the United States; and

(8) to highlight the role of the Armed Forces of the United States, then and now, in maintaining world peace through strength.

(d) AUTHORITY OF THE SECRETARY.—(1) The Secretary of Defense may, in accordance with regulations prescribed by the Secretary, authorize the manufacture, reproduction, use, sale, or distribution of logos, trademarks, seals, and similar items for the program referred to in subsection (a), and grant exclusive or nonexclusive licenses for such purposes.

(2) The Secretary may, in furtherance of the program referred to in subsection (a) and in accordance with regulations prescribed by the Secretary, grant exclusive or nonexclusive licenses for any copyrighted material for which the Secretary holds an exclusive license or owns the copyright as transferred through assignment, bequest, or otherwise. Notwithstanding any other provision of law, any proceeds received as a result of these activities shall be deposited into the account established by subsection (e).

(e) ESTABLISHMENT OF ACCOUNT.—(1) There is established in the Treasury of the United States an account to be known as the "Department of Defense 50th Anniversary of World War II Commemoration Account" which shall be administered by the Secretary of Defense as a single account. There shall be deposited into the account all proceeds derived from activities described in subsection (d).

(2) The Secretary may use the funds in the account established in paragraph (1) only for the purpose of conducting the program referred to in subsection (a).

(3) Not later than 60 days after the termination of the authority of the Secretary to conduct the commemoration program referred to in subsection (a), the Secretary shall transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing an accounting of all the funds deposited into and expended from the account or otherwise expended under this section, and of any amount remaining in the account. Unobligated funds which remain in the account after termination of the authority of the Secretary under this section shall be held in the account until transferred by law after the Committees receive the report.

(f) PROVISION OF VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, United States Code, the Secretary of Defense may accept from any person voluntary services to be provided in furtherance of the program referred to in subsection (a).

(2) A person providing voluntary services under this subsection shall be considered an

employee of the Federal Government for the purpose of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries, and for the purpose of chapter 176 of title 28, United States Code, relating to tort claims. Such a person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purpose by reason of the provision of such services.

(3) The Secretary of Defense may provide for reimbursement of incidental expenses which are incurred by a person providing voluntary services under this subsection. The Secretary of Defense shall determine which expenses are eligible for reimbursement under this paragraph.

SEC. 1049. ELIMINATION OF REPORTS REQUIRED BY LAW.

(a) UNDER TITLE 10.—(1) Section 673(b) of title 10, United States Code, is amended by striking out the last sentence.

(2) Section 2362 of such title is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(3) Section 2401 of such title is amended—

(A) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Secretary may make a contract described in subsection (a)(1) if—

"(1) the Secretary has been specifically authorized by law to make the contract; and

"(2) the Secretary determines that such a lease is warranted based on an analysis of the cost to the United States (including lost tax revenue) of any such lease or charter arrangement compared with the cost to the United States of direct procurement of the aircraft or naval vessel by the United States.";

(B) by striking out subsection (e); and

(C) by redesignating subsection (f) as subsection (e).

(4) Section 2672a(b) of such title is amended by striking out the last sentence.

(5) Section 2823 of such title is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(6) Section 2854 of such title is amended—

(A) in subsection (a), by striking out "(a) Subject to subsection (b), the Secretary" and inserting in lieu thereof "The Secretary"; and

(B) by striking out subsection (b).

(7)(A) Section 2861 of such title is repealed.

(B) The table of sections at the beginning of chapter 169 of such title is amended by striking out the item relating to section 2861.

(8) Section 2864(b) of such title is amended by striking out "after the 21-day period" and all that follows and inserting in lieu thereof a period.

(9) Section 7308 of such title is amended by striking out subsection (c).

(10) Section 7309(b) of such title is amended by striking out the last sentence.

(b) REPEAL OF COMPARABLE BUDGETING REQUIREMENT.—(1) Section 2217 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2217.

(c) UNDER TITLE 37.—Section 1008(a) of title 37, United States Code, is amended by striking out the last sentence.

(d) UNDER OTHER LAWS.—(1) Section 18(a) of the Military Selective Service Act (50 U.S.C. App. 468(a)) is amended by striking out ", except that no order" in the first sentence and all that follows through the end of the second sentence and inserting in lieu thereof a period.

(2) Section 112 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1037) is amended by striking out subsection (c).

(3) Section 1309 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 10 U.S.C. 113 note) is repealed.

SEC. 1050. LIMITATION ON USE OF EXCESS CONSTRUCTION OR FIRE EQUIPMENT FROM DEPARTMENT OF DEFENSE STOCKS IN FOREIGN ASSISTANCE OR MILITARY SALES PROGRAMS.

(a) LIMITATION.—Excess construction or fire equipment from the stocks of the Department of Defense may be transferred to any foreign country or international organization pursuant to part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2301 et seq.) or section 21 of the Arms Export Control Act (22 U.S.C. 2761) only if—

(1) no department or agency of the Federal Government other than the Department of Defense and no State submits to the Defense Reutilization and Marketing Service a request for such equipment during the period for which the Defense Reutilization and Marketing Service accepts such a request; or

(2) the President determines that the transfer is necessary in order to respond to an emergency for which the equipment is especially suited.

(b) RULE OF CONSTRUCTION.—Nothing in subsection (a) shall be construed to limit the authority to transfer construction or fire equipment under section 2547 of title 10, United States Code.

(c) DEFINITION.—In this section, the term "construction or fire equipment" includes tractors, scrapers, loaders, graders, bulldozers, dump trucks, generators, pumpers, fuel and water tankers, crash trucks, utility vans, rescue trucks, ambulances, hook and ladder units, compressors, and miscellaneous fire fighting equipment.

SEC. 1051. RESTRICTION ON OBLIGATION OF FUNDS FOR NEW MUSEUMS.

(a) PROHIBITION ON OBLIGATION OF FUNDS FOR CERTAIN NEW MUSEUMS.—Except as provided in subsection (b), funds appropriated or otherwise made available to the Department of Defense for fiscal year 1992 may not be obligated for the purposes of—

(1) the construction or capitalization of—

(A) the National D-Day Museum;

(B) the Airborne and Special Operations Museum; or

(C) the Naval Undersea Museum; or

(2) the renovation of the submarine U.S.S. Blueback for the Oregon Museum of Science and Industry.

(b) EXCEPTION.—The funds referred to in subsection (a) may be obligated for the purpose specified for a museum referred to in that subsection if, with respect to that museum, the Secretary of Defense certifies to Congress that—

(1) the use of Department of Defense funds for that museum is of a higher priority than the use of such funds for the expansion of any existing Department of Defense museum;

(2) in authorizing construction of a new Department of Defense museum, the Secretary would select that museum as one of the Secretary's first four choices for the construction of such a new museum; and

(3) the use of Department of Defense funds for that purpose would make a unique contribution to the mission of the military departments.

SEC. 1052. ARMY MILITARY HISTORY FELLOWSHIP PROGRAM.

(a) IN GENERAL.—Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4316. Military history fellowships

"(a) FELLOWSHIPS.—The Secretary of the Army shall prescribe regulations under which the Secretary may award fellowships in military history of the Army to the persons described in subsection (b).

"(b) ELIGIBLE PERSONS.—The persons eligible for awards of fellowships under this section are citizens and nationals of the United States who—

"(1) are graduate students in United States military history;

"(2) have completed all requirements for a doctoral degree other than preparation of a dissertation; and

"(3) agree to prepare a dissertation in a subject area of military history determined by the Secretary.

"(c) REGULATIONS.—The regulations prescribed under this section shall include—

"(1) the criteria for award of fellowships;

"(2) the procedures for selecting recipients;

"(3) the basis for determining the amount of a fellowship; and

"(4) the total amount that may be awarded as fellowships during an academic year.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4315 the following:

"4316. Military history fellowships.".

SEC. 1053. TRANSFER OF CERTAIN VESSELS.

The Secretary of the Navy shall transfer to the Department of Transportation the following vessels, to be assigned as training ships to Texas A&M University at Galveston, Texas, and to the Maine Maritime Academy at Castine, Maine, on the date of the decommissioning of such vessels:

(1) The U.S.N.S. Chauvenet (T-AG-29).

(2) The U.S.N.S. Harkness (T-AG-32).

SEC. 1054. REPEAL OF REQUIREMENT FOR CONSTRUCTION OF COMBATANT AND ESCORT VESSELS IN NAVY YARDS.

(a) REPEAL.—Subsection (a) of section 7299a of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—Subsections (b), (c), and (d) of section 7299a of title 10, United States Code, are redesignated as subsections (a), (b), and (c), respectively.

SEC. 1055. COOPERATIVE MILITARY AIRLIFT AGREEMENTS.

(a) LIQUIDATION OF CREDITS AND LIABILITIES.—Section 2350c(a)(2) of title 10, United States Code, is amended by striking out all after "liquidated" and inserting in lieu thereof "as agreed upon by the parties. Liquidation shall be either by direct payment to the country that has provided the greater amount of transportation or by the providing of in-kind transportation services to that country. The liquidation shall occur on a regular basis, but not less often than once every 12 months.".

(b) COUNTRIES ELIGIBLE FOR COOPERATIVE AGREEMENTS.—Section 2350c(e)(1) of such title is amended by striking out "or New Zealand" and inserting in lieu thereof ", New Zealand, Japan, and the Republic of Korea".

SEC. 1056. SPECIAL OPERATIONS FORCES.

(a) GRADE FOR CERTAIN COMMANDERS.—Section 1311(e) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 167 note) is amended by inserting after "the United States Pacific Command," the following: "the United States Southern Command, the United States Central Command,".

(b) REPEAL OF DUPLICATIVE PROVISIONS.—Subsections (c), (d), and (e) of section 9115 of Public Law 99-500 and subsections (c), (d), and (e) of section 9115 of Public Law 99-591 are repealed.

SEC. 1057. PERMANENT AUTHORITY TO PAY CERTAIN EXPENSES OF PERSONNEL OF DEVELOPING COUNTRIES FOR ATTENDANCE AT BILATERAL OR REGIONAL COOPERATION CONFERENCES.

Subsection (e) of section 1051 of title 10, United States Code, is repealed.

SEC. 1058. UNITED STATES COURT OF MILITARY APPEALS AMENDMENTS.

(a) UNIFIED FEDERAL RETIREMENT FOR JUDGES.—(1) Section 945 (article 145) of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) A person appointed as a judge of the United States Court of Military Appeals shall be subject to the Federal Employees' Retirement System as of the date of the appointment.

"(2) Section 302 of the Federal Employees' Retirement System Act of 1986 (5 U.S.C. 8331 note) shall apply to a judge of the United States Court of Military Appeals who is subject to the Civil Service Retirement and Disability System on the day before the date on which the judge becomes subject to the Federal Employees' Retirement System under this section. In the application of section 302 of that Act to such judge, the judge shall be treated as having made an election under section 301 of that Act to become subject to the Federal Employees' Retirement System effective as of that date.

"(3) In this section:

"(A) The term 'Federal Employees' Retirement System' means the provisions of chapter 84 of title 5.

"(B) The term 'Civil Service Retirement and Disability System' means the provisions of subchapter III of chapter 83 of title 5.".

(2) The amendment made by paragraph (1) shall apply to persons who are appointed as judges of the United States Court of Military Appeals on or after the date of the enactment of this Act.

(3)(A) The amendment made by paragraph (1) shall also apply in accordance with this paragraph to judges of the United States Court of Military Appeals who served in regular active service as such on or after November 29, 1989, and before the date of the enactment of this Act.

(B) Except as provided in subparagraph (C), a judge referred to in subparagraph (A) shall be subject to the Federal Employees' Retirement System as of the later of November 29, 1989, or the date of the judge's appointment as a judge of the United States Court of Military Appeals.

(C) A judge referred to in subparagraph (B) who, on the day before the date as of which the judge would become subject to the Federal Employees' Retirement System under that subparagraph, was subject to the Civil Service Retirement and Disability System may elect to continue to be subject to the Civil Service Retirement and Disability System instead of the Federal Employees' Retirement System. A judge making that election shall submit the election in writing to the Director of the Office of Personnel Management within 10 days after the date of the enactment of this Act. The election is irrevocable.

(D) A judge who does not make an election pursuant to subparagraph (C)—

(i) shall receive a lump sum refund from the Civil Service Retirement and Disability Fund equal to the difference between the total amount deducted and withheld from the pay of the judge under section 8334 of title 5, United States Code, during the service as a judge of the court on and after November 29, 1989, and before the date of the enactment of this Act and the total amount that would have been deducted and withheld from the pay of the judge under section 8422 of such title during that service if the judge had been subject to the provisions of chapter 84 of that title during such service; and

(ii) may, within 2 years after the date of the enactment of this Act, deposit in the Thrift Savings Fund any amount not exceeding the difference between the total amount that the judge could have contributed to the Fund under section 8432(a) of title 5, United States Code, during the service referred to in clause (i) and the amount, if any, that was contributed to the Fund by the judge under section 8351 of such title during that service.

(E) A lump sum contribution shall be made to the Thrift Savings Fund in accordance with section 8432(c) of title 5, United States Code, for a deposit made by a judge pursuant to subparagraph (D)(ii). The amount of the contribution shall be equal to the total amount of the contribution that would have been made under that section during the service covered by the deposit if the total amount deposited had been deducted and withheld from the pay of the judge for contribution to the Thrift Savings Fund under section 8432(a) of that title in equal amounts monthly during that service. The lump sum contribution shall be made out of funds available for the pay of judges of the United States Court of Military Appeals for the fiscal year in which the deposit is made.

(F) Amounts deposited in the Thrift Savings Fund pursuant to subparagraphs (D)(ii) and (E) shall be deemed not to cause the contributions made to that Fund by or for a judge in the year of the deposit to exceed any limitation referred to in section 8432(d) or 8440(a)(3) of title 5, United States Code.

(G) In this paragraph:

(i) The term "Federal Employees' Retirement System" means the provisions of chapter 84 of title 5, United States Code.

(ii) The term "Civil Service Retirement and Disability System" means the provisions of subchapter III of chapter 83 of such title.

(b) CHIEF JUDGE.—(1) Section 943(a) (article 143(a)) of title 10, United States Code, is amended to read as follows:

"(a) CHIEF JUDGE.—(1) The chief judge of the United States Court of Military Appeals shall be the judge of the court in regular active service who is senior in commission among the judges of the court who—

"(A) have served for one or more years as judges of the court; and

"(B) have not previously served as chief judge.

"(2) In any case in which there is no judge of the court in regular active service who has served as a judge of the court for at least one year, the judge of the court in regular active service who is senior in commission and has not served previously as chief judge shall act as the chief judge.

"(3) Except as provided in paragraph (4), a judge of the court shall serve as the chief judge under paragraph (1) for a term of 5 years. If no other judge is eligible under paragraph (1) to serve as chief judge upon the expiration of that term, the chief judge shall continue to serve as chief judge until another judge becomes eligible under that paragraph to serve as chief judge.

"(4)(A) The term of a chief judge shall be terminated before the end of 5 years if—

"(i) the chief judge leaves regular active service as a judge of the court; or

"(ii) the chief judge notifies the other judges of the court in writing that such judge desires to be relieved of his duties as chief judge.

"(B) The effective date of a termination of the term under subparagraph (A) shall be the date on which the chief judge leaves regular active service or the date of the notification under subparagraph (A)(ii), as the case may be.

"(5) If a chief judge is temporarily unable to perform his duties as a chief judge, the duties shall be performed by the judge of the court in active service who is present, able and qualified to act, and is next in precedence.".

(2) For purposes of section 943(a) of title 10, United States Code, as amended by paragraph (1)—

(A) the person serving as the chief judge of the United States Court of Military Appeals on the date of the enactment of this Act shall be deemed to have been designated as the chief judge under such section; and

(B) the 5-year term provided in paragraph (3) of such section shall be deemed to have begun on the date on which such judge was originally designated as the chief judge under section 867(a) or 943 of title 10, United States Code, as the case may be, as that provision of law was in effect on the date of the designation.

SEC. 1059. AMENDMENTS TO THE UNIFORM CODE OF MILITARY JUSTICE.

(a) JURISDICTION.—Section 803(a) (article 3(a)) of title 10, United States Code, is amended to read as follows:

"(a) Subject to section 843 of this title (article 43), a person who is in a status in which the person is subject to this chapter and who committed an offense against this chapter while formerly in a status in which the person was subject to this chapter is not relieved from amenability to the jurisdiction of this chapter for that offense by reason of a termination of that person's former status.".

(b) CERTAIN ADJUDICATIONS AND POSTPONEMENTS OF SENTENCES.—(1) Section 857 (article 57) of such title is amended by adding at the end the following new subsection:

"(e)(1) In any case in which a court-martial sentences a person referred to in paragraph (2) to confinement, the convening authority may postpone the service of the sentence to confinement, without the consent of that person, until after the person has been permanently released to the armed forces by a State or foreign country referred to in that paragraph.

"(2) Paragraph (1) applies to a person subject to this chapter who—

"(A) while in the custody of a State or foreign country is temporarily returned by that State or foreign country to the armed forces for trial by court-martial; and

"(B) after the court-martial, is returned to that State or foreign country under the authority of a mutual agreement or treaty, as the case may be.

"(3) In this subsection, the term 'State' means a State of the United States, the District of Columbia, a Territory, and a possession of the United States.".

(2) Section 863 (article 63) of such title is amended—

(A) by striking out "imposed" in the second sentence and inserting in lieu thereof "approved"; and

(B) by inserting "approved" in the third sentence after "the pretrial agreement, the".

(c) OFFENSES.—(1)(A) Section 911 (article 111) of such title is amended to read as follows:

"§911. Art. 111. Drunken or reckless operation of a vehicle, aircraft, or vessel

"Any person subject to this chapter who—

"(1) operates or physically controls any vehicle, aircraft, or vessel in a reckless or wanton manner or while impaired by a substance

described in section 912a(b) of this title (article 112a(b)), or

"(2) operates or is in actual physical control of any vehicle, aircraft, or vessel while drunk or when the alcohol concentration in the person's blood or breath is 0.10 grams of alcohol per 100 milliliters of blood or 0.10 grams of alcohol per 210 liters of breath, as shown by chemical analysis,

shall be punished as a court-martial may direct.".

(B) The item relating to section 911 in the table of sections at the beginning of subchapter X of chapter 47 of such title is amended to read as follows:

"911. 111. Drunken or reckless operation of a vehicle, aircraft, or vessel.".

(2) Section 918(3) (article 118(3)) of such title is amended by striking out "others" and inserting in lieu thereof "another".

(3) Section 920(a) (article 120(a)) of such title is amended—

(A) by striking out "with a female not his wife"; and

(B) by striking out "her".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply with respect to offenses committed on or after that date.

SEC. 1060. CIVIL-MILITARY COOPERATIVE ACTION PROGRAM.

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

(1) Many of the skills, capabilities, and resources that the Armed Forces have developed to meet military requirements can assist in meeting the civilian domestic needs of the United States.

(2) Members of the Armed Forces have the training, education, and experience to serve as role models for United States youth.

(3) As a result of the reductions in the Armed Forces resulting from the ending of the Cold War, the Armed Forces will have fewer overseas deployments and lower operating tempos, and there will be a much greater opportunity than in the past for the Armed Forces to assist civilian efforts to address critical domestic problems.

(4) The United States has significant domestic needs in areas such as health care, nutrition, education, housing, and infrastructure that cannot be met by current and anticipated governmental and private sector programs.

(5) There are significant opportunities for the resources of the Armed Forces, which are maintained for national security purposes, to be applied in cooperative efforts with civilian officials to address these vital domestic needs.

(6) Civil-military cooperative efforts can be undertaken in a manner that is consistent with the military mission and does not compete with the private sector.

(b) ESTABLISHMENT OF CIVIL-MILITARY COOPERATIVE ACTION PROGRAM.—Chapter 20 of title 10, United States Code, is amended—

(1) by adding at the end the following new subchapter:

"SUBCHAPTER II—CIVIL-MILITARY COOPERATION

"Sec.
"410. Civil-Military Cooperative Action Program.

"§ 410. Civil-Military Cooperative Action Program

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a program to be known as the 'Civil-Military Cooperative Action Program'. Under the program, the Secretary may, in accordance with other applicable law, use the skills, capabilities, and resources of the armed forces to assist civilian efforts to meet the domestic needs of the United States.

"(b) PROGRAM OBJECTIVES.—The program shall have the following objectives:

"(1) To enhance individual and unit training and morale in the armed forces through meaningful community involvement of the armed forces.

"(2) To encourage cooperation between civilian and military sectors of society in addressing domestic needs.

"(3) To advance equal opportunity.

"(4) To enrich the civilian economy of the United States through education, training, and transfer of technological advances.

"(5) To improve the environment and economic and social conditions.

"(6) To provide opportunities for disadvantaged citizens of the United States.

"(c) ADVISORY COUNCILS.—(1) The Secretary of Defense shall encourage the establishment of advisory councils on civil-military cooperation at the regional, State, and local levels, as appropriate, in order to obtain recommendations for projects and activities under the program and guidance for the program from persons who are knowledgeable about regional, State, and local conditions and needs.

"(2) The advisory councils should include officials from relevant military organizations, representatives of appropriate local, State, and Federal agencies, representatives of civic and social service organizations, business representatives, and labor representatives.

"(3) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to such councils.

"(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing the provision of assistance under the program. The regulations shall include the following:

"(1) Rules governing the types of assistance that may be provided.

"(2) Procedures governing the delivery of assistance that ensure, to the maximum extent practicable, that such assistance is provided in conjunction with, rather than separate from, civilian efforts.

"(3) Procedures for appropriate coordination with civilian officials to ensure that the assistance—

"(A) meets a valid need; and

"(B) does not duplicate other available public services.

"(4) Procedures for the provision of assistance in a manner that does not compete with the private sector.

"(5) Procedures to minimize the extent to which Department of Defense resources are applied exclusively to the program.

"(6) Standards to ensure that assistance is provided under this section in a manner that is consistent with the military mission of the units of the armed forces involved in providing the assistance.

"(e) CONSTRUCTION OF PROVISION.—Nothing in this section shall be construed as authorizing—

"(1) the use of the armed forces for civilian law enforcement purposes; or

"(2) the use of Department of Defense personnel or resources for any program, project, or activity that is prohibited by law."; and

(2) by inserting below the chapter heading the following:

"Subchapter	Sec.
"I. Humanitarian Assistance	401
"II. Civil-Military Cooperation	410

"SUBCHAPTER I—HUMANITARIAN ASSISTANCE".

SEC. 1061. UNITED NATIONS PEACEKEEPING AND ENFORCEMENT REPORT.

(a) REPORT REQUESTED.—Not later than the date on which the President submits to Congress the budget for fiscal year 1994 under section 1105 of title 31, United States Code, the President shall transmit to Congress a report on the proposals of the Secretary General of the United Nations contained in his report to the Security Council entitled "Preventive Diplomacy, Peacemaking and Peacekeeping", dated June 19, 1992.

(b) CONTENT OF PRESIDENT'S REPORT.—The President's report shall contain a comprehensive analysis and discussion of the proposals of the Secretary General, including, in particular, the following:

(1) The proposal that contributions for peacekeeping and related enforcement activities be funded out of the National Defense function of the budget rather than the "Contributions to International Peacekeeping Activities" account of the Department of State.

(2) The assignment of responsibilities within the Executive branch if such contributions are funded, in whole or in part, out of the National Defense function.

(3) The proposal that the United States and other member states of the United Nations negotiate special agreements under Article 43 of the United Nations Charter to provide for those states to make armed forces, assistance, and facilities available to the Security Council of the United Nations for the purposes stated in Article 42 of that Charter, not only on an ad hoc basis but on a permanent on-call basis for rapid deployment under Security Council authorization.

(4) The proposal that member states of the United Nations commit to keep equipment specified by the Secretary General available for immediate sale, loan, or donation to the United Nations when required.

(5) The proposal that member states of the United Nations make airlift and sealift capacity available to the United Nations free of cost or at lower than commercial rates.

(6) Such other information as may be necessary to inform Congress on matters relating to the Secretary General's proposals.

SEC. 1062. CLARIFICATION OF SCOPE OF AUTHORIZATIONS.

No funds are authorized to be appropriated under this Act for the Federal Bureau of Investigation.

SEC. 1063. REDUCTION IN THE AUTHORIZED END STRENGTH FOR MILITARY PERSONNEL IN EUROPE.

(a) REDUCED END STRENGTH.—Subsection (c)(1) of section 1002 of the National Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended by striking out "235,700" in the first sentence and all that follows and inserting in lieu thereof "100,000.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1995.

SEC. 1064. REPORT ON THE SELECTIVE SERVICE SYSTEM.

The Secretary of Defense, in consultation with the Director of the Selective Service System, shall submit, by April 30, 1993, a report to the President on the continued requirement for registration under the selective service system. The report shall contain, at a minimum, analyses on the effect of suspension of the requirement for registration on: (1) projected mobilization requirements, including the effect on the time it would take to increase the size of the Armed Forces in a national emergency; (2) recruit-

ing in the Armed Forces; and (3) the organization and staffing of the selective service system. The report shall also contain the Secretary's recommendations based on the analyses. The President shall transmit the report to the Congress, by May 31, 1993, along with his advice on what actions, if any he plans to take on the report.

SEC. 1065. STATE EQUALIZATION PROGRAMS.

Paragraph (2) of section 5(d) of Public Law 81-874 (20 U.S.C. 239(d)(2)) is amended—

(1) by striking subparagraph (C) (as added by section 330(a) of Public Law 94-482); and

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

"(D) Any State whose program of State aid was certified by the Secretary under subparagraph (C) for fiscal year 1988, but whose program was determined by the Secretary under subparagraph (C)(i) not to meet the requirements of subparagraph (A) for one or more of the fiscal years 1989 through 1992—

"(i) shall be deemed to have met the requirements of subparagraph (A) for each of the fiscal years 1989 through 1992; and

"(ii) shall not, beginning with fiscal year 1993, and notwithstanding any other provision of this paragraph, take payments under this title into consideration as provided under subparagraph (A) for any fiscal year unless the Secretary has previously certified such State's program for such fiscal year.".

SEC. 1066. BROADING MISSION OF NATO.

(a)(1) The North Atlantic Treaty Organization has, for more than forty years, successfully deterred aggression against Western Europe and North America by the armed forces of the Soviet Union and the Warsaw Pact;

(2) The Warsaw Pact no longer exists;

(3) The Soviet Union has devolved into a commonwealth of sovereign, independent republics;

(4) The members of the North Atlantic Treaty Organization share many common interests in deterring aggression, conflict and economic dislocation both within and beyond the geographic boundaries of Europe and North America: Now, therefore

(b) It is the sense of the Senate that the threat of East-West military confrontation has radically receded and, if the North Atlantic Treaty Organization is to continue to be relevant to the security interests of Western Europe and North America through the 1990's and beyond, the alliance's mission must be recrafted in order to enable it to address common transatlantic security concerns, including those beyond NATO's geographic boundaries. Therefore, the President of the United States is requested to open discussions with the heads of state of NATO's various member states, with a view to adapting the alliance to current realities.

SEC. 1067. REPORT ON INTERNATIONAL MINE CLEARING EFFORTS IN REFUGEE SITUATIONS.

(a) FINDING.—The Congress finds that an estimated 10-20 million mines are scattered across Cambodia, Afghanistan, Somalia, Angola, and other countries which have experienced conflict and that refugee repatriation and other humanitarian programs are being seriously hampered by the widespread use of anti-personnel mines in regional conflicts and civil wars.

(b) REPORT.—(1) The Secretary of Defense, in consultation with the Secretary of State, shall provide a report on international mine clearing efforts in situations involving the repatriation and resettlement of refugees and displaced persons.

(2) Such report shall include, though not be limited to—

(A) an assessment of mine clearing needs in countries to which refugees and displaced persons are now returning, or are likely to return within the near future, including, though not limited to, Cambodia, Angola, Afghanistan, Somalia and Mozambique, and an assessment of current international efforts to meet the mine clearing needs in the countries covered by the report;

(B) an analysis of the specific types of mines in the individual countries assessed, and the availability of technology and assets within the international community for their removal;

(C) an assessment of what additional technologies and assets would be required to complete, expedite or reduce the costs of mine clearing efforts;

(D) an evaluation of the availability of technologies and assets within the United States government which, if called upon, could be employed to augment or complete mine clearing efforts in the countries covered by the report; and

(E) an evaluation of the desirability, feasibility and potential cost of United States assistance on either a unilateral or multilateral basis in such mine clearing operations.

(3) Such report shall be made available to the Committees on Armed Services of the Senate and the House of Representatives within 180 days of the enactment of this Act.

SEC. 1068. SENSE OF CONGRESS RELATING TO THE AWARD OF THE NAVY EXPEDITIONARY MEDAL.

It is the sense of Congress that the President should award the Navy Expeditionary Medal to members of the Navy who served in Navy Task Force 16, culminating in the airraid commonly known as the "Doolittle Raid on Tokyo", during April 1942, regardless of the time limitations on the consideration of such awards.

SEC. 1069. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.

(a) AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1992 to cover the incremental costs arising from the consequences of Hurricane Andrew and Typhoon Omar $529,300,000 as follows:

(1) For Military Personnel:

(A) For the Navy, $10,700,000.

(B) For the Air Force, $58,200,000.

(C) For the Air Force Reserve, $8,800,000.

(D) For the Air National Guard, $1,900,000.

(2) For Operation and Maintenance:

(A) For the Army, $1,400,000.

(B) For the Navy, $142,900,000.

(C) For the Air Force, $228,000,000.

(D) For the Defense Agencies, $31,500,000.

(E) For the Army Reserve, $3,300,000.

(F) For the Air Force Reserve, $13,200,000.

(G) For the Army National Guard, $1,400,000.

(H) For the Air National Guard, $2,000,000.

(3) For Military Construction:

(A) For the Air Force inside the United States, $10,000,000.

(B) For the Air Force for family housing inside the United States, $16,000,000.

(b) AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1992 to cover the incremental costs arising from the consequences of Hurricane Andrew and Typhoon Omar $263,530,000 as follows:

(1) For military construction for the Navy outside the United States, $81,530,000.

(2) For military construction for the Air Force inside the United States, $66,000,000.

(3) For military construction for the Air Force outside the United States, $7,600,000.

(4) For family housing for the Navy outside the United States, $87,200,000.

(5) For family housing for the Air Force outside the United States, $21,200,000.

(c) EMERGENCY DESIGNATION.—The authorization of appropriations in subsection (b) are effective only to the extent that the appropriations are designated by the Congress as emergency appropriations for all purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 in an appropriations Act.

SEC. 1070. BENEFITS FOR SPOUSES AND FORMER SPOUSES OF MEMBERS WHO BECOME DISQUALIFIED FOR RETIRED PAY BY REASON OF MISCONDUCT INVOLVING ABUSE OF A DEPENDENT.

(a) IN GENERAL.—(1) Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 71 the following new chapter:

"CHAPTER 72—MISCELLANEOUS PROTECTIONS, RIGHTS, AND BENEFITS FOR DEPENDENTS

"Sec.

"1421. Annuity protection for spouses and former spouses of members losing eligibility for retired pay as a result of abuse of a dependent.

"1422. Other benefits.

"§ 1421. Annuity protection for spouses and former spouses of members losing eligibility for retired pay as a result of abuse of a dependent

"(a) REQUIREMENT TO PAY ANNUITY.—The Secretary of a military department shall, upon application, pay an annuity under this section to an eligible spouse or former spouse of a member (described in subsection (b)) of the armed force under the jurisdiction of that Secretary.

"(b) ELIGIBLE PERSONS.—A spouse or former spouse of a member of the armed forces is eligible to receive an annuity under this section if—

"(1) after the member becomes eligible to be retired on the basis of years of service, the member's eligibility to receive retired pay or retainer pay is terminated as a result of misconduct of the member or former member involving abuse of a dependent; and

"(2) the spouse or former spouse—

"(A) was the victim of the abuse and was married to the member at the time of that abuse; or

"(B) is a natural or adopted parent of a dependent child of the member who was the victim of the abuse.

"(c) ADVERSE ACTIONS COVERED.—This section applies with respect to terminations of eligibility to receive retired pay or retainer pay as a result of a conviction by a court-martial or an administrative separation from the armed forces.

"(d) AMOUNT OF ANNUITY.—(1) The amount of the annuity payable under this section to a spouse or former spouse of a member referred to in subsection (b)(1) shall be equal to the lesser of—

"(A) the percentage determined under paragraph (2) of the amount of the retired pay or retainer pay which the member would have received on the date on which the spouse's or former spouse's entitlement to that annuity becomes effective if the member had been retired from the armed forces entitled to receive retired or retainer pay on that date; or

"(B) the amount that is equal to such portion of the member's retired or retainer pay as is provided for in an applicable court order (as defined in section 1408(a) of this title), if any.

"(2)(A) In the case of spouse or former spouse who has been married to the member for 20 or more years, at least 20 of which were during the period the member performed service creditable in determining the member's eligibility for retired or retainer pay, the percent applicable under paragraph (1)(A) is 50 percent.

"(B) In the case of a spouse or former spouse not described in subparagraph (A), the percent applicable under paragraph (1)(A) is the percent (rounded to the nearest one percent) that is determined by—

"(i) multiplying 50 percent times the number of years during the member's service creditable in determining the member's eligibility for retired or retainer pay that the spouse or former spouse has been married to the member; and

"(ii) dividing the product computed under clause (i) by 20.

"(3) Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the annuity payable under this section to the spouse or former spouse of a member referred to in subsection (b)(1) shall be increased at the same time. The annuity shall be increased by the percent by which the retired pay or retainer pay of the member would have been increased if the member were receiving retired or retainer pay.

"(e) COMMENCEMENT AND TERMINATION.—(1) The eligibility of a person to receive an annuity under this section on the basis of a termination of eligibility for retired or retainer pay shall become effective as of the first day of the month in which the action that terminates the eligibility for retired or retainer pay is taken, as determined under regulations prescribed by the Secretary of the military department concerned.

"(2) Eligibility to receive an annuity under this section with respect to a member referred to in subsection (b) shall terminate—

"(A) in the case of an annuitant who marries again after the effective date of the annuity before attaining 55 years of age, on the date of such marriage; and

"(B) in the case of an annuitant who resumes cohabitation with the member, on the date on which the cohabitation resumes.

"(3) A person's eligibility to receive an annuity under this section that is terminated under paragraph (2)(A) by reason of remarriage shall be resumed in the event of the termination of that marriage by the death of that person's spouse or by annulment or divorce. The resumption of payment of the annuity shall begin as of the first day of the month in which that marriage is so terminated. The monthly amount of the resumed annuity shall be the amount that would have been paid if the entitlement to the annuity had not been terminated.

"(f) APPLICATION FOR ANNUITY.—(1) An application for an annuity under this section shall be made in the form and manner prescribed by the Secretary of the military department concerned. The application shall include the certification of the applicant, under oath or by affirmation, that no circumstances exist that would terminate the eligibility of the applicant for that annuity under subsection (e).

"(2) No annuity shall be paid under this section to a spouse or former spouse of a member of the armed forces referred to in subsection (b)(1) unless the spouse or former spouse applies for that annuity within one year after the date of the action referred to in subsection (e)(1).

"(3) the spouse or former spouse certifies to the Secretary of the military department concerned that none of the circumstances described in subsection (e)(2) exist in the case of the spouse or former spouse.

"(g) RECERTIFICATION OF ELIGIBILITY.—The Secretary of the military department concerned may require a recipient of an annuity under this section to recertify, at any time or on a periodic basis, that no circumstances exist that would terminate the eligibility of the applicant for that annuity under subsection (e). Each certification shall be made under oath or by affirmation.

"(h) MEMBER TO HAVE NO CLAIM AGAINST ANNUITY.—Notwithstanding any other provision of law, a member of the armed forces referred to in subsection (b)(1) shall have no ownership interest in, or claim against, an annuity payable under this section to a spouse or former spouse of the member.

"(i) OFFSET OF PAYMENTS TO INCARCERATED MEMBER.—If in any month a member of the armed forces referred to in subsection (b)(1) is incarcerated for any period during that month and is entitled to receive any payment from the United States—

"(1) the amount so payable shall be withheld to the extent of the amount of annuity payments made with respect to that member under this section and not recouped pursuant to this subsection before that month; and

"(2) the entitlement of that member to the amount so withheld shall terminate.

"(j) DEFINITIONS.—In this section:

"(1) The term 'dependent' means a spouse or dependent child.

"(2) The term 'dependent child', with respect to a member of the armed forces referred to in subsection (a), means an unmarried legitimate child, including an adopted child or a stepchild of the member, who—

"(A) is under 18 years of age;

"(B) is incapable of self-support because of a mental or physical incapacity that existed before becoming 18 years of age and is or, at the time of the action described in subsection (e)(1) with respect to that member, was dependent on the member for over one-half of the child's support; or

"(C) if enrolled in a full-time course of study in an institution of higher education recognized by the Secretary of Defense for the purposes of this clause, is under 23 years of age and is or, at the time of the action described in subsection (e)(1), was dependent on the member for over one-half of the child's support.

"§ 1422. Other benefits

"A spouse or former spouse of a member of the armed forces referred to in subsection (b)(1) of section 1421 of this title shall be entitled, while receiving an annuity under that section—

"(1) to receive medical and dental care under the provisions of chapter 55 of this title to the same extent as a dependent of a retired member of the armed forces;

"(2) to use the commissary and exchange stores on the same basis as a dependent of a retired member of the armed forces; and

"(3) to receive any other benefits that a dependent of a retired member is entitled to receive on the basis of being a dependent of a retired member.".

(2) The tables of chapters at the beginning of subtitle A of such title and part II of such subtitle are amended by inserting after the item relating to chapter 71 the following:

"72. Miscellaneous protections, rights, and benefits for dependents ..... 1421".

(b) FUNDING FOR ANNUITIES.—Section 1463 of such title is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(5) annuities payable under section 1421 of this title.".

(c) APPLICABILITY.—(1) Section 1421 of title 10, United States Code (as added by subsection (a)), shall apply with respect to terminations of eligibility to receive retired or retainer pay that take effect before, on, or after the date of the enactment of this Act.

(2) Notwithstanding subsection (f)(2) of such section 1421, in the case of a spouse or former spouse claiming eligibility to receive an annuity under that section on the basis of a termination of eligibility to receive retired or retainer pay that took effect before the date of the enactment of this Act, no annuity shall be paid that spouse or former spouse under such section unless the spouse or former spouse applies for that annuity within one year after that date.

(3) No annuity shall accrue under such section 1421 for periods before the date of the enactment of this Act.

(d) REPORT ON OTHER ACTIONS.—(1) Not later than February 28, 1993, the Secretary of Defense shall transmit to the Congress a report on the actions taken and planned to be taken by the Department of Defense to reduce or eliminate disincentives for a dependent of a member of the Armed Forces abused by the member to report the abuse to appropriate authorities.

(2) The actions considered by the Secretary should include the provision of treatment, child care services, health care services, job training, job placement services, and transitional financial assistance for dependents of members of the Armed Forces referred to in paragraph (1).

(e) STUDY REQUIRED.—(1) The Secretary of Defense shall conduct a study in order to—

(A) determine the number of persons who became eligible to receive an annuity under section 1421 of title 10, United States Code (as added by subsection (a)), as of each of fiscal years 1980 through 1992;

(B) estimate the number of persons who will become eligible to receive an annuity under such section during each of fiscal years 1993 through 2000;

(C) determine, for each of fiscal years 1980 through 1992, the number of members of the Armed Forces who, after having completed at least one, and less than 20, years of service, were approved in that fiscal year for separation from the Armed Forces as a result of abuse of a spouse or dependent child; and

(D) estimate, for each of fiscal years 1993 through 2000, the number of members of the Armed Forces who, after having completed at least one, and less than 20, years of service in that fiscal year, will be approved in that fiscal year for separation from the Armed Forces as a result of abuse of a spouse or dependent child.

(2) The study shall include a thorough analysis of—

(A) the effects, if any, of appeals and requests for clemency in the case of courts-martial convictions on the entitlement to and the payment of annuities under section 1421 of title 10, United States Code (as added by subsection (a));

(B) the socio-economic effects on the dependents of members of the Armed Forces described in subsection (b) of such section that result from terminations of the eligibility of such members to receive retired or retainer pay; and

(C) the effects of separations of such members from the Armed Forces on the mission

readiness of the units of assignment of such members when separated and on the Armed Forces in general.

(3) Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the study.

SEC. 1071. LIMITATION RELATING TO NUCLEAR WEAPONS TESTING.

(a) MORATORIUM FOR 9 MONTHS.—No underground test of a nuclear weapon may be conducted by the United States after September 30, 1992, and before July 1, 1993.

(b) POST MORATORIUM TESTING BEFORE 1997.—On and after July 1, 1993, and before January 1, 1997, an underground test of a nuclear weapon may be conducted by the United States—

(1) only if—

(A) the President has submitted the annual report required under subsection (d);

(B) 90 days have elapsed after the submittal of that report in accordance with that subsection; and

(C) Congress has not agreed to a joint resolution described in subsection (d)(3) within that 90-day period; and

(2) only if the test is conducted during the period covered by the report.

(d)(1) Not later than March 1 of each year beginning after 1992, the President shall submit to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives, in classified and unclassified forms, a report containing the following matters:

(A) A schedule for resumption of the Nuclear Testing Talks with Russia.

(B) A plan for achieving a multilateral comprehensive ban on the testing of nuclear weapons on or before September 30, 1996.

(C) An assessment of the number and type of nuclear warheads that will remain in the United States stockpile of active nuclear weapons on September 30, 1996.

(D) For each fiscal year after fiscal year 1992, an assessment of the number and type of nuclear warheads that will remain in the United States stockpile of nuclear weapons and that—

(i) will not be in the United States stockpile of active nuclear weapons;

(ii) will remain under the control of the Department of Defense; and

(iii) will not be transferred to the Department of Energy for dismantlement.

(E) A description of the safety features of each warhead that is covered by an assessment referred to in subparagraph (C) or (D).

(F) A plan for installing one or more modern safety features in each warhead identified in the assessment referred to in subparagraph (C), as determined after an analysis of the costs and benefits of installing such feature or features in the warhead, should have one or more of such features.

(G) An assessment of the number and type of nuclear weapon tests, not to exceed 5 tests in any period covered by an annual report under this paragraph and a total of 15 tests in the 4-fiscal year period beginning with fiscal year 1993, that are necessary in order to ensure the safety of each nuclear warhead in which one or more modern safety features are installed pursuant to the plan referred to in subparagraph (F).

(H) A schedule, in accordance with subparagraph (G), for conducting at the Nevada test site, each of the tests enumerated in the assessment pursuant to subparagraph (G).

(2) The first annual report shall cover the period beginning on the date on which a resumption of testing of nuclear weapons is permitted under subsection (c) and ending on September 30, 1994. Each annual report thereafter shall cover the fiscal year following the fiscal year in which the report is submitted.

(3) For the purposes of paragraph (1), "joint resolution" means only a joint resolution introduced after the date on which the Committees referred to in that paragraph receive the report required by that paragraph the matter after the resolving clause of which is as follows: "The Congress disapproves the report of the President on nuclear weapons testing, dated _____." (the blank space being appropriately filled in).

(4) No report is required under this subsection after 1996.

(e)(1) Except as provided in paragraphs (2) and (3), during a period covered by an annual report submitted pursuant to subsection (d), nuclear weapons may be tested only as follows:

(A) Only those nuclear explosive devices in which modern safety features have been installed pursuant to the plan referred to in subsection (d)(1)(F) may be tested.

(B) Only the number and types of tests specified in the report pursuant to subsection (d)(1)(G) may be conducted.

(2)(A) One test of the reliability of a nuclear weapon other than one referred to in paragraph (1)(A) may be conducted during any period covered by an annual report, but only if—

(i) within the first 60 days after the beginning of that period, the President certifies to Congress that it is vital to the national security interests of the United States to test the reliability of such a nuclear weapon; and

(ii) within the 60-day period beginning on the date that Congress receives the certification, Congress does not agree to a joint resolution described in subparagraph (B).

(B) For the purposes of subparagraph (A), "joint resolution" means only a joint resolution introduced after the date on which the Congress receives the certification referred to in that subparagraph the matter after the resolving clause of which is as follows: "The Congress disapproves the testing of a nuclear weapon covered by the certification of the President dated _____." (the blank space being appropriately filled in).

(3) The President may authorize the United Kingdom to conduct in the United States, within a period covered by an annual report, one test of a nuclear weapon if the President determines that it is in the national interests of the United States to do so. Such a test shall be considered as one of the tests within the maximum number of tests that the United States is permitted to conduct during that period under paragraph (1)(B).

(f) No underground test of nuclear weapons may be conducted by the United States after September 30, 1996, unless a foreign state conducts a nuclear test after this date, at which time the prohibition on United States nuclear testing is lifted.

(g) In the computation of the 90-day period referred to in subsection (c)(1) and the 60-day period referred to in subsection (e)(2)(A)(ii), the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded.

(h) In this section, the term "modern safety feature" means any of the following features:

(1) An insensitive high explosive (IHE).

(2) Fire resistant pits (FRP).

(3) An enhanced detonation safety (ENDS) system.

SEC. 1072. LANDMINE MORATORIUM ACT.

(a) This section shall be titled the "Landmine Moratorium Act of 1992".

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

(1) Anti-personnel landmines, which are specifically designed to maim and kill people, have been used indiscriminately in dramatically increasing numbers, primarily in insurgencies in poor developing countries. Noncombatant civilians, including tens of thousands of children, have been the primary victims.

(2) Unlike other military weapons, landmines often remain implanted and undiscovered after conflict has ended, causing untold suffering to civilian populations. In countries like Afghanistan, Cambodia, Laos, Vietnam, and Angola, tens of millions of unexploded landmines have rendered whole areas uninhabitable. In Afghanistan, an estimated hundreds of thousands of people have been maimed and killed by landmines during the 14-year civil war. In Cambodia, more than 20,000 civilians have lost limbs and another 60 are being maimed each month from landmines.

(3) Over 35 countries are known to manufacture landmines, including the United States. However, the United States is not a major exporter of landmines. During the past ten years the Department of State has approved ten licenses for the commercial export of anti-personnel landmines valued at $980,000, and during the past five years the Department of Defense has approved the sale of 13,156 anti-personnel landmines valued at $841,145.

(4) The United States signed, but has not ratified, the 1981 Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious or To Have Indiscriminate Effects. The Convention prohibits the indiscriminate use of landmines.

(5) When it signed the Convention, the United States stated: "We believe that the Convention represents a positive step forward in efforts to minimize injury or damage to the civilian population in time of armed conflict. Our signature of the Convention reflects the general willingness of the United States to adopt practical and reasonable provisions concerning the conduct of military operations, for the purpose of protecting noncombatants.".

(6) The Administration should submit the convention to the Senate for ratification, and the President should actively negotiate under United Nations or other auspices an international agreement, or a modification of the Convention, to prohibit the sale, transfer or export of anti-personnel landmines. This would be an appropriate response to the end of the Cold War and the promotion of arms control agreements to reduce the indiscriminate killing and maiming of civilians.

(7) The United States should set an example for other countries in such negotiations, by implementing a one-year moratorium on the sale, transfer or export of anti-personnel landmines.

(c) STATEMENT OF POLICY.—

(1) It shall be the policy of the United States to seek verifiable international agreements prohibiting the sale, transfer or export, and further limiting the use, production, possession and deployment of anti-personnel landmines.

(2) It is the sense of the Congress that the President should actively seek to negotiate under United Nations or other auspices an international agreement, or a modification of the Convention, to prohibit the sale, transfer or export of anti-personnel landmines.

(d) MORATORIUM ON TRANSFERS OF ANTI-PERSONNEL LANDMINES ABROAD.—For a period of 1 year beginning on the date of enactment of this Act—

(1) no sale may be made or financed, no transfer may be made, and no license for export may be issued, under the Arms Export Control Act, with respect to any anti-personnel landmine; and

(2) no assistance may be provided under the Foreign Assistance Act of 1961, with respect to the provision of any anti-personnel landmine.

(e) DEFINITION.—For purposes of this section, the term "anti-personnel landmine" means—

(1) any munition placed under, on, or near the ground or other surface area, or delivered by artillery, rocket, mortar, or similar means or dropped from an aircraft and which is designed to be detonated or exploded by the presence, proximity, or contact of a person;

(2) any device or material which is designed, constructed, or adapted to kill or injure and which functions unexpectedly when a person disturbs or approaches an apparently harmless object or performs an apparently safe act;

(3) any manually-emplaced munition or device designed to kill, injure, or damage and which is actuated by remote control or automatically after a lapse of time.

SEC. 1073. REPORT ON POSSIBLE REVISIONS TO THE NORTH ATLANTIC TREATY.

(a) FINDINGS.—The Congress finds that—

(1) when the North Atlantic Treaty was signed in 1949, the clear military threat to the security of Western Europe was the Soviet Union and its allies in Eastern Europe;

(2) since 1949 it has been clearly understood by the people of the Western World that the primary mission of NATO was to deter an attack from the Soviet Bloc;

(3) the dramatic changes in Europe since the fall of the Berlin Wall in 1989, and the subsequent dissolution of the Warsaw Pact and the Soviet Union have fundamentally changed the security situation in Europe;

(4) one of the consequences of the breakdown of 40 years of Communist rule in Eastern Europe and the former Soviet Union has been ethnic conflict throughout the region, particularly in the Balkans and the Republics of the Former Soviet Union;

(5) those fundamental changes in the security threats facing NATO member nations have caused confusion concerning the mission of NATO in the post-cold war world and the role of NATO military forces outside of the NATO Theater, particularly in the former Soviet Union; and

(6) a fundamental review of the North Atlantic Treaty is necessary, in light of the new security situation in Europe.

(b) REPORT.—The Secretary of Defense, in consultation with the Secretary of State, shall provide a report to the Congress, by April 1, 1993, which includes—

(1) a detailed analysis of the forseeable threats to the security of NATO member nations;

(2) a determination whether or not there is a requirement for the member nations of NATO to revise the North Atlantic Treaty of 1949 to meet the future challenges to their peace and security; and

(3) the extent to which the charter permits the use of NATO forces for peacekeeping purposes, given the steadily increased use of military forces for such purposes, and the range of missions that should be considered for such peacekeeping to protect the interests of member nations

SEC. 1074. POW/MIA STAMP.

(a) Congress finds that—

(1) the President has declared the POW/MIA issue to be of highest national priority;

(2) there are over 88,000 missing United States service personnel from World War II, the Korean War, and the Vietnam War;

(3) public awareness of the sacrifices which have been and may continue to be made by American prisoners of war and Americans missing in action is critical to advancing efforts to obtain the return of missing American service personnel.

(b) The Postmaster General shall issue a commemorative postage stamp in honor of American prisoners of war and Americans missing in action. Such a stamp shall be issued and sold for such a period as the Postmaster General shall determine.

SEC. 1075. SUPPORT FOR INTERNATIONAL NONPROLIFERATION ACTIVITIES.

(a) FINDINGS.—The Congress makes the following findings:

(1) The proliferation of nuclear, chemical and biological weapons and related technology and know how and of missile delivery systems remains a serious threat to international peace and security in the post-Cold War era.

(2) The United States should seek to limit the supply of nuclear, chemical and biological weapons, related technology and know how and of missile delivery systems, and the demand for such weapons and should undertake to reduce the threat from such proliferation.

(3) International nonproliferation activities serve the national security interests of the United States.

(4) The Department of Defense and the Department of Energy have expertise and equipment that has enhanced the effectiveness of international nuclear nonproliferation activities.

(5) The use of funds made available under the regular budget process one year in advance or the use of reprogrammed funds may be insufficient to satisfy the need for funds and other support for international nonproliferation activities.

(6) Greater flexibility may be needed to ensure the timely availability of funding to support international nonproliferation activities.

(b) ASSISTANCE FOR NONPROLIFERATION ACTIVITIES.—(1) Subject to the limitations and requirements provided in this section, during fiscal year 1993 the Secretary of Defense may furnish funds, supplies, and equipment to support international nonproliferation activities, including activities carried out by the International Atomic Energy Agency, that are designed to ensure more aggressive full-scope safeguards and more aggressive verification of compliance with the Treaty on the Non-Proliferation of Nuclear Weapons, done on July 1, 1968.

(2) Assistance may be provided in the form of funds under paragraph (1) only if the amount in the "Contributions to International Organizations" account of the Department of State is insufficient or otherwise unavailable to meet the United States fair share of assessments for international nuclear nonproliferation activities.

(3) No assistance may be furnished pursuant to paragraph (1) unless the Secretary of Defense determines and certifies to the Congress 30 days in advance that the provision of such assistance—

(A) is in the national security interest of the United States; and

(B) will not adversely affect the military preparedness of the United States.

(4) No amount may be obligated for an expenditure pursuant to paragraph (1) unless the Director of the Office of Management and Budget determines that the expenditure will be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(5) In paragraph (1), the term "full-scope safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency.

(c) ASSISTANCE FOR INSPECTIONS REGARDING IRAQ.—During fiscal year 1993 the Secretary of Defense may provide funds for the activities of the On-Site Inspection Agency in support of the United Nations Special Commission on Iraq.

(d) AUTHORITY SUBJECT TO APPROPRIATIONS ACTS.—The authority to provide assistance in the form of funds under subsection (b) or (c) may be exercised only to the extent and in the amounts provided in appropriations Acts.

(e) FUNDING LIMITATIONS.—(1) The total amount of the assistance provided in the form of funds under subsection (b) may not exceed $20,000,000.

(2) The total amount of the assistance provided in the form of funds under subsection (c) may not exceed $20,000,000.

(f) SOURCES OF ASSISTANCE.—(1) Funds provided as assistance under subsection (b) or (c) shall be derived from amounts made available to the Department of Defense for fiscal year 1993 or from balances in working capital accounts of the Department of Defense.

(2) Supplies and equipment provided as assistance under subsection (b) may be provided, by loan or donation, from existing stocks of the Department of Defense.

(g) REPORT REQUIRED.—Not less than 30 days before obligating any funds to provide assistance pursuant to subsection (b) or (c), the Secretary of Defense shall transmit to Congress a report on the proposed obligation. The report shall specify—

(1) the account, budget activity, and particular program or programs from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation; and

(2) the activities and forms of assistance for which the Secretary of Defense plans to obligate such funds.

(h) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Robust funding of nonproliferation activities and related technology development is essential to controlling the proliferation of nuclear, chemical, and biological weapons and their delivery vehicles, which remains one of the highest national security priorities of the United States;

(2) The President's initiative to increase funding for nonproliferation activities and related technology development in the Department of Energy is praiseworthy and represents a significant step toward an appropriate level of support for nonproliferation activities;

(3) The President should undertake to identify a full range of appropriate, high priority nonproliferation activities and related technology development programs, including particularly space-based detection systems, and should include full funding for these activities and technologies in the budget requests of the Department of Energy and the

Department of Defense for fiscal year 1994; and

(4) The Congress is committed to cooperating with the President in carrying out an effective policy designed to control the proliferation of weapons of mass destruction.

SEC. 1076. SUPPORT FOR PEACEKEEPING ACTIVITIES.

(a) FINDINGS.—The Congress makes the following findings:

(1) International peacekeeping activities contribute to the national interests of the United States in maintaining global stability and order.

(2) International peacekeeping activities take many forms and include observer missions, ceasefire monitoring, human rights monitoring, refugee and humanitarian assistance, monitoring and conducting elections, monitoring of police in the demobilization of former combatants, and reforming judicial and other civil and administrative systems of government.

(3) International peacekeeping activities traditionally involve the presence of military troops, police forces, and, in recent years, civilian experts in transportation, logistics, medicine, electoral systems, human rights, land tenure, other economic and social issues, and other areas of expertise.

(4) International peacekeeping interests serve both the foreign policy interests and defense policy interests of the United States.

(5) The normal budget process of authorizing and appropriating funds a year in advance and reprogramming such funds is insufficient to satisfy the need for funds for peacekeeping efforts arising from an unanticipated crisis.

(6) Greater flexibility is needed to ensure the timely availability of funding to provide for peacekeeping activities.

(b) AUTHORIZED SUPPORT FOR FISCAL YEAR 1993.—(1) Subject to paragraph (2), the Secretary may provide assistance for international peacekeeping activities during fiscal year 1993 in an amount not to exceed $300,000,000 in accordance with section 403 of title 10, United States Code, as added by subsection (c). Notwithstanding subsection (b) of that section, the assistance so provided may be derived from funds appropriated to the Department of Defense for fiscal year 1993 for operation and maintenance or from balances in working capital accounts.

(2) No amount may be obligated pursuant to paragraph (1) unless the expenditure of such amount has been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) AUTHORIZATION.—(1) Chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 403. International peacekeeping activities

"(a) AUTHORITY.—To the extent provided in defense authorization Acts and appropriations Acts, the Secretary of Defense may furnish assistance, by loan or contribution, in support of international peacekeeping activities of the United Nations or any regional organization of which the United States is a member.

"(b) FORMS OF ASSISTANCE.—Assistance provided under subsection (a) may include funds, supplies, and equipment. Any funds so provided shall be derived from amounts available to the Department of Defense for the fiscal year for which the assistance is provided.

"(c) LIMITATIONS RELATED TO AVAILABILITY OF STATE DEPARTMENT FUNDS.—Funds may be provided as assistance pursuant to subsection (a) for a fiscal year—

"(1) only if funds available to the Department of State for that fiscal year for contributions for international peacekeeping activities are insufficient or otherwise unavailable to meet the United States' fair share of assessments for international peacekeeping activities, as determined by the President; and

"(2) only to the extent that the United States' fair share of such assessments exceeds the amount that the President requests Congress to appropriate for the Department of State for such fiscal year for international peacekeeping activities.

"(d) CONSULTATION.—The Secretary of Defense shall consult with the Secretary of State before furnishing any assistance pursuant to subsection (a).

"(e) DETERMINATIONS REQUIRED.—No assistance may be furnished pursuant to subsection (a) unless the Secretary of Defense certifies to Congress that the provision of such assistance—

"(1) is in the national security interest of the United States; and

"(2) will not adversely affect the military preparedness of the United States.

"(f) ADVANCE NOTICE TO CONGRESS.—Not less than 30 days before obligating any funds for purposes of subsection (a), the Secretary of Defense shall transmit to Congress a report on the proposed obligation. The report shall—

"(1) specify the account, budget activity, and particular program or programs from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation;

"(2) specify the activities and forms of assistance for which the Secretary of Defense plans to obligate such funds; and

"(3) include the certification required by subsection (e).

"(g) DEFINITION.—In this section, the term 'defense authorization Act' means an Act that authorizes appropriations for one or more fiscal years for military activities of the Department of Defense, including the activities described in paragraph (7) of section 114(a) of this title.".

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

"403. International peacekeeping activities.".

SEC. 1077. NATIONAL DEFENSE SEALIFT FUND.

Chapter 131 of title 10, United States Code, is amended by adding at the end thereof the following new section 2218:

"§ 2218. National Defense Sealift Fund

"(a) There is established on the books of the treasury a fund to be known as the 'National Defense Sealift Fund,' shall be administered by the Secretary of Defense.

"(b) Funds may be deposited in the National Defense Sealift Fund only as specifically authorized in law.

"(c) Funds deposited in the National Defense Sealift Fund may be obligated and expended by the Secretary of Defense for—

"(1) research and development relating to National Defense Sealift;

"(2) construction, purchase, or conversion of sealift vessels for National defense purposes;

"(3) lease and operational and maintenance of sealift vessels for national defense purposes; and

"(4) other purposes relating to National Defense Sealift;

but only to the extent such obligation or expenditure is specifically authorized in law.".

SEC. 1078. TECHNICAL AMENDMENT.

Section 603 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25, 105 Stat. 107) is amended—

(1) in subsection (b)(1), by adding at the end thereof the following new sentence: "Subsequent to the identification of the parcel of land pursuant to this subsection, the Secretary may, with the concurrence of appropriate representatives of Caroline County, Virginia, and the Commonwealth, make minor adjustments to the boundaries of the parcel of land identified so that the parcel of land conveyed pursuant to this section better serves the purposes intended by this section.";

(2) in subsection (c)(2)(A), by striking out "construct and operate on such parcel of land a regional correctional facility" and inserting in lieu thereof "provide for the construction and operation on such parcel of land a regional correctional facility";

(3) in subsection (c)(2)(B), by striking out "constructs and operates such facility" and inserting in lieu thereof "provides for the construction and operation of such facility"; and

(4) in subsection (d)(1)(A)(i), by striking out "24 months after the date of enactment of this Act" and inserting in lieu thereof "April 1, 1995".

Subtitle F—Civil-Military Youth Service Programs

SEC. 1081. NATIONAL GUARD CIVILIAN YOUTH OPPORTUNITIES PILOT PROGRAM.

(a) PROGRAM AUTHORITY.—During fiscal years 1993 through 1995 the Chief of the National Guard Bureau may conduct a pilot program to be known as the "National Guard Civilian Youth Opportunities Program".

(b) PURPOSE.—The purpose of the pilot program is to provide a basis for determining—

(1) whether the life skills and employment potential of civilian youths who cease to attend secondary school before graduating can be significantly improved through military based training provided by the National Guard; and

(2) whether it is feasible and cost effective for the National Guard to provide military based training to such youths for the purpose of achieving such improvements.

(c) CONDUCT OF PROGRAM IN 10 NATIONAL GUARD JURISDICTIONS.—The Chief of the National Guard Bureau may provide for the conduct of the pilot program in any 10 of the States, the Territories, the Commonwealth of Puerto Rico, or the District of Columbia.

(d) PROGRAM AGREEMENTS.—(1) To carry out the pilot program in a State, a Territory, the Commonwealth of Puerto Rico, or the District of Columbia, the Chief of the National Guard Bureau shall enter into an agreement with the Governor of the State, Territory, or Commonwealth or with the commanding general of the District of Columbia National Guard, as the case may be.

(2) Each agreement shall provide for the Governor or, in the case of the District of Columbia National Guard, the commanding general to establish, organize, and administer a National Guard civilian youth opportunities program.

(3) The agreement may provide for the Chief of the National Guard Bureau to reimburse the State, Territory, Commonwealth of Puerto Rico, or the District of Columbia, as the case may be, for civilian personnel costs attributable to the use of civilian employees of the National Guard in the conduct of the program.

(e) ELIGIBLE PARTICIPANTS.—(1) Persons referred to in subsection (b)(1) shall be eligible to participate in a National Guard civilian youth opportunities program under the pilot program.

(2) The Chief of the National Guard Bureau shall prescribe the standards and procedures for selecting the participants from among applicants for the program.

(f) AUTHORIZED BENEFITS FOR PARTICIPANTS.—(1) To the extent provided in an agreement entered into in accordance with subsection (d) and subject to the approval of the Chief of the National Guard Bureau, the persons selected for training in a National Guard civilian youth opportunities program under the pilot program may receive the following benefits in connection with that training:

(A) Allowances for travel expenses, personal expenses, and other expenses.

(B) Quarters.

(C) Subsistence.

(D) Transportation.

(E) Equipment.

(F) Clothing.

(G) Recreational services and supplies.

(H) Other services.

(I) A temporary stipend upon the successful completion of the training, as characterized in accordance with procedures provided in the agreement.

(2) A person may not receive a temporary stipend under paragraph (1)(I) while the person is a member of the Civilian Community Corps under subtitle H of title I of the National and Community Service Act of 1990 (as added by section 1082(a)). A person may not receive both that stipend and benefits under subsection (f) or (g) of section 195G of that Act (as so added).

(g) PROGRAM PERSONNEL.—(1) Personnel of the National Guard of a State, a Territory, the Commonwealth of Puerto Rico, or the District of Columbia in which a National Guard civilian youth opportunities program is conducted under the pilot program may serve on full-time National Guard duty for the purpose of providing command, administrative, training, or supporting services for that program. For the performance of those services, any such personnel may be ordered to duty under section 502(f) of title 32, United States Code, for not longer than the period of the program.

(2) Personnel so serving may not be counted for the purposes of—

(A) any provision of law limiting the number of personnel that may be serving on full-time active duty or full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components; or

(B) section 524 of title 10, United States Code, relating to the number of reserve component officers who may be on active duty or full-time National Guard duty in certain grades.

(3) A Governor participating in the pilot program and the commanding general of the District of Columbia National Guard (if the District of Columbia National Guard is participating in the pilot program) may procure by contract the temporary full time services of such civilian personnel as may be necessary to augment National Guard personnel in carrying out a National Guard civilian youth opportunities program under the pilot program.

(4) Civilian employees of the National Guard performing services for such a program and contractor personnel performing such services may be required, when appropriate to achieve a program objective, to be members of the National Guard and to wear the military uniform.

(h) EQUIPMENT AND FACILITIES.—(1) Equipment and facilities of the National Guard, including military property of the United States issued to the National Guard, may be used in carrying out the pilot program.

(2) Activities under the pilot program shall be considered noncombat activities of the National Guard for purposes of section 710 of title 32, United States Code.

(i) STATUS OF PARTICIPANTS.—(1) A person receiving training under the pilot program shall be considered an employee of the United States for purposes of the following provisions of law:

(A) The Internal Revenue Code of 1986.

(B) Title II of the Social Security Act (relating to Federal old-age, survivors, and disability insurance benefits).

(C) Subchapter I of chapter 81 of title 5, United States Code (relating to compensation of Federal employees for work injuries).

(D) Section 1346(b) and chapter 171 of title 28, United States Code, and any other provision of law relating to the liability of the United States for tortious conduct of employees of the United States.

(2) In the application of the provisions of law referred to in paragraph (1)(C) to a person referred to in paragraph (1)—

(A) the person shall not be considered to be in the performance of duty while the person is not at the assigned location of training or other activity or duty authorized in accordance with a program agreement referred to in subsection (d), except when the person is traveling to or from that location or is on pass from that training or other activity or duty;

(B) the person's monthly rate of pay shall be deemed to be the minimum rate of pay provided for grade GS-2 of the General Schedule under section 5332 of title 5, United States Code; and

(C) the entitlement of a person to receive compensation for a disability under such provisions of law shall begin on the day following the date on which the person's participation in the pilot program is terminated.

(3) A person receiving a stipend pursuant to subsection (f)(1)(I) shall be considered an employee for purposes of the provisions of law referred to in subparagraphs (A) and (B) of paragraph (1).

(4) A person referred to in paragraph (1) or (3) may not be considered an employee of the United States for any purpose other than a purpose set forth in that paragraph.

(j) FUNDING.—(1) To the extent provided in appropriations Acts, funds described in paragraph (2) shall be available for the pilot program.

(2) The funds referred to in paragraph (1) are as follows:

(A) Funds appropriated for pay, allowances, clothing, subsistence, gratuities, travel and related expense for personnel of the National Guard while on active duty or full-time National Guard duty.

(B) Funds appropriated for the National Guard for operation and maintenance.

(k) SUPPLEMENTAL RESOURCES.—(1) To carry out a National Guard civilian youth opportunities program under the pilot program, the Governor of a State, a Territory, or the Commonwealth of Puerto Rico or the commanding general of the District of Columbia National Guard, as the case may be, may supplement any funding made available pursuant to subsection (j) out of other resources (including gifts) available to the Governor or the commanding general.

(2) The provision of funds authorized to be appropriated for the pilot program shall not preclude a Governor participating in the pilot program, or the commanding general of the District of Columbia National Guard (if the District of Columbia National Guard is participating in the pilot program), from accepting, using, and disposing of gifts or donations of money, other property, or services for the pilot program.

(l) REPORT.—(1) Within 90 days after the end of the 1-year period beginning on the first day of the pilot program, the Chief of the National Guard Bureau shall submit to the congressional defense committees a report on the design, conduct, and effectiveness of the pilot program during that 1-year period. The report shall include an assessment of the matters set forth in paragraphs (1) and (2) of subsection (b).

(2) In preparing the report required by paragraph (1), the Chief of the National Guard Bureau shall coordinate with the Governor of each State, Territory, and the Commonwealth of Puerto Rico in which a National Guard civilian youth opportunities program is carried out under the pilot program and, if such a program is carried out in the District of Columbia, with the commanding general of the District of Columbia National Guard.

(m) DEFINITIONS.—In this section, the terms "Territory" and "full-time National Guard duty" have the meanings given those terms in section 101 of title 32, United States Code.

(n) AUTHORIZATION OF APPROPRIATIONS.—Of the funds authorized to be appropriated under section 301, $50,000,000 shall be available for the pilot program for fiscal year 1993.

SEC. 1082. CIVILIAN COMMUNITY CORPS.

(a) CIVILIAN COMMUNITY CORPS.—(1) Title I of the National and Community Service Act of 1990 (42 U.S.C. 12510 et seq.) is amended by adding at the end the following new subtitle:

"Subtitle H—Civilian Community Corps

"SEC. 195. PURPOSE.

"It is the purpose of this subtitle to establish a Civilian Community Corps to provide a basis for determining—

"(1) whether residential service programs administered by the Federal Government can significantly increase the support for national service and community service by the people of the United States;

"(2) whether such programs can expand the opportunities for willing young men and women to perform meaningful, direct, and consequential acts of community service in a manner that will enhance their own skills while contributing to their understanding of civic responsibility in the United States; and

"(3) whether retired members and former members of the Armed Forces of the United States, members and former members of the Armed Forces discharged or released from active duty in connection with reduced Department of Defense spending, members and former members of the Armed Forces discharged or transferred from the Selected Reserve of the Ready Reserve in connection with reduced Department of Defense spending, and other members of the Armed Forces not on active duty and not actively participating in a reserve component of the Armed Forces can provide guidance and training under such programs that contribute meaningfully to the encouragement of national and community service.

"SEC. 195A. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

"(a) IN GENERAL.—The Commission on National and Community Service shall estab-

lish the Civilian Community Corps Demonstration Program to carry out the purpose of this subtitle.

"(b) PROGRAM COMPONENTS.—Under the Civilian Community Corps Demonstration Program the members of a Civilian Community Corps shall receive training and perform service in at least one of the following 2 program components:

"(1) A national service program.

"(2) A summer national service program.

"(c) RESIDENTIAL PROGRAMS.—Both program components are residential programs. The members of the Corps in each program shall reside with other members of the Corps in Corps housing during the periods of the members' agreed service.

"SEC. 195B. NATIONAL SERVICE PROGRAM.

"(a) IN GENERAL.—Under the national service program, high school graduates and other youths between 17 and 25 years of age who are from economically, geographically, and ethnically diverse backgrounds shall work in teams on Civilian Community Corps projects.

"(b) PERIOD OF PARTICIPATION.—Persons desiring to participate in the national service program shall enter into an agreement with the Director to participate in the Corps for a period of not less than 9 months and not more than 1 year, as specified by the Director, and may renew the agreement for not more than 1 additional such period.

"SEC. 195C. SUMMER NATIONAL SERVICE PROGRAM.

"(a) IN GENERAL.—Under the summer national service program, a diverse group of youth between 14 and 18 years of age who are from urban or rural areas shall work in teams on Civilian Community Corps projects.

"(b) NECESSARY PARTICIPANTS.—The participants in the summer national service program shall include a significant number of economically disadvantaged youths.

"(c) SEASONAL PROGRAM.—The training and service of Corps members under the summer national service program in each year shall be conducted after April 30 and before October 1 of that year.

"SEC. 195D. CIVILIAN COMMUNITY CORPS.

"(a) DIRECTOR.—The Civilian Community Corps shall be under the direction of the Director of the Civilian Community Corps appointed pursuant to section 195H(c)(1).

"(b) MEMBERSHIP IN CIVILIAN COMMUNITY CORPS.—

"(1) PARTICIPANTS TO BE MEMBERS.— Persons participating in the national service program or the summer national service program shall be members of the Civilian Community Corps.

"(2) SELECTION OF MEMBERS.—The Director or the Director's designee shall select individuals for membership in the Corps.

"(3) APPLICATION FOR MEMBERSHIP.—To be selected to become a Corps member an individual shall submit an application to the Director or to any other office as the Director may designate, at such time, in such manner, and containing such information as the Director shall require. At a minimum, the application shall contain information about the work experience of the applicant and sufficient information to enable the Director, or the superintendent of the appropriate camp, to determine whether selection of the applicant for membership in the Corps is appropriate.

"(c) ORGANIZATION OF CORPS INTO UNITS.—

"(1) UNITS.—The Corps shall be divided into permanent units. Each Corps member shall be assigned to a unit.

"(2) UNIT LEADERS.—The leader of each unit shall be selected from among persons in the permanent cadre established pursuant to section 195H(c)(2). The designated leader shall accompany the unit throughout the period of agreed service of the members of the unit.

"(d) CAMPS.—

"(1) UNITS TO BE ASSIGNED TO CAMPS.—The units of the Corps shall be grouped together as appropriate in camps for operational, support, and boarding purposes. The Corps camp for a unit shall be in a facility or central location established as the operational headquarters and boarding place for the unit. Corps members may be housed in the camps.

"(2) CAMP SUPERINTENDENT.—There shall be a superintendent for each camp. The superintendent is the head of the camp.

"(3) ELIGIBLE SITE FOR CAMP.—A camp may be located in a facility referred to in section 195K(a)(3).

"(e) DISTRIBUTION OF UNITS AND CORPS.—The Director shall ensure that the Corps units and camps are distributed in urban areas and rural areas in various regions throughout the United States.

"(f) STANDARDS OF CONDUCT.—

"(1) IN GENERAL.—The superintendent of each camp shall establish and enforce standards of conduct to promote proper moral and disciplinary conditions in the camp.

"(2) SANCTIONS.—Under procedures prescribed by the Director, the superintendent of a camp may—

"(A) transfer a member of the Corps in that camp to another unit or camp if the superintendent determines that the retention of the member in the member's unit or in the superintendent's camp will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members in that unit or camp, as the case may be; or

"(B) dismiss a member of the Corps from the Corps if the superintendent determines that retention of the member in the Corps will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members.

"(3) APPEALS.—Under procedures prescribed by the Director, a member of the Corps may appeal to the Director a determination of a camp superintendent to transfer or dismiss the member. The Director shall provide for expeditious disposition of appeals under this paragraph.

"SEC. 195E. TRAINING.

"(a) COMMON CURRICULUM.—Each member of the Civilian Community Corps shall be provided with between 3 and 6 weeks of training that includes a comprehensive service-learning curriculum designed to promote team building, discipline, leadership, work, training, citizenship, and physical conditioning.

"(b) ADVANCED SERVICE TRAINING.—

"(1) NATIONAL SERVICE PROGRAM.—Members of the Corps participating in the national service program shall receive advanced training in basic, project-specific skills that the members will use in performing their community service projects.

"(2) SUMMER NATIONAL SERVICE PROGRAM.—Members of the Corps participating in the summer national service program shall not receive advanced training referred to in paragraph (1) but, to the extent practicable, may receive other training.

"(c) TRAINING PERSONNEL.—

"(1) IN GENERAL.—Members of the cadre appointed under section 195H(c)(2) shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members' periods of agreed service.

"(2) COORDINATION WITH OTHER ENTITIES.—Members of the cadre may provide the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, or other qualified individuals.

"(d) FACILITIES.—The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 195K(a)(3).

"SEC. 195F. SERVICE PROJECTS.

"(a) PROJECT REQUIREMENTS.—The service projects carried out by the Civilian Community Corps shall—

"(1) meet an identifiable public need;

"(2) emphasize the performance of community service activities that provide meaningful community benefits and opportunities for service learning and skills development;

"(3) to the maximum extent practicable, encourage work to be accomplished in teams of diverse individuals working together; and

"(4) include continued education and training in various technical fields.

"(b) PROJECT PROPOSALS.—

"(1) DEVELOPMENT OF PROPOSALS.—

"(A) SPECIFIC EXECUTIVE DEPARTMENTS.—The Secretary of Agriculture, the Secretary of the Interior, and the Secretary of Housing and Urban Development shall develop proposals for Corps projects pursuant to guidance which the Director of the Civilian Community Corps shall prescribe.

"(B) OTHER SOURCES.—Other public and private organizations and agencies, including representatives of local communities in the vicinity of a Corps camp, may develop proposals for projects for a Corps camp. Corps members shall also be encouraged to identify projects for the Corps.

"(2) CONSULTATION REQUIREMENTS.—The process for developing project proposals under paragraph (1) shall include consultation with the Commission on National and Community Service, representatives of local communities, and persons involved in other youth service programs.

"(c) PROJECT SELECTION, ORGANIZATION, AND PERFORMANCE.—

"(1) SELECTION.—The superintendent of a Corps camp shall select the projects to be performed by the members of the Corps assigned to the units in that camp. The superintendent shall select projects from among the projects proposed or identified pursuant to subsection (b).

"(2) INNOVATIVE LOCAL ARRANGEMENTS FOR PROJECT PERFORMANCE.—The Director shall encourage camp superintendents to negotiate with representatives of local communities, to the extent practicable, innovative arrangements for the performance of projects. The arrangements may provide for cost-sharing and the provision by the communities of in-kind support and other support.

"SEC. 195G. AUTHORIZED BENEFITS FOR CORPS MEMBERS.

"(a) IN GENERAL.—The Director of the Civilian Community Corps shall provide for members of the Civilian Community Corps to receive benefits authorized by this section.

"(b) LIVING ALLOWANCE.—The Director shall provide a living allowance to members of the Corps for the period during which such members are engaged in training or any activity on a Corps project. The Director shall establish the amount of the allowance at any amount not in excess of the amount equal to 100 percent of the poverty line that is applicable to a family of two (as defined by the Office of Management and Budget and revised annually in accordance with section

673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(c) OTHER AUTHORIZED BENEFITS.—While receiving training or engaging in service projects as members of the Civilian Community Corps, members may be provided the following benefits:

"(1) Allowances for travel expenses, personal expenses, and other expenses.

"(2) Quarters.

"(3) Subsistence.

"(4) Transportation.

"(5) Equipment.

"(6) Clothing.

"(7) Recreational services and supplies.

"(8) Other services.

"(d) SUPPORTIVE SERVICES.—To the extent practicable and as the Director determines appropriate, the Director shall provide each member of the Corps with health care services, child care services, counseling services, and other supportive services.

"(e) POST SERVICE BENEFITS.—Upon completion of the agreed period of service with the Corps, a member shall elect to receive the educational assistance under subsection (f) or the cash benefit under subsection (g).

"(f) EDUCATIONAL ASSISTANCE.—

"(1) AUTHORITY.—

"(A) CORPS MEMBERS COMPLETING AGREED SERVICE.—The Director shall provide educational assistance to each Corps member who—

"(i) completes a period of agreed service in the Corps; and

"(ii) elects to receive the assistance.

"(B) CORPS MEMBERS NOT COMPLETING AGREED SERVICE.—The Director may provide educational assistance to a Corps member who—

"(i) does not complete the period of agreed service; and

"(ii) requests the assistance.

"(2) AMOUNT.—

"(A) NATIONAL SERVICE PROGRAM.—The amount of the educational assistance provided to a Corps member under paragraph (1)(A) shall be—

"(i) in the case of a Corps member in the National Service Program, $5,000 for each period of agreed service in the Corps; and

"(ii) in the case of a Corps member in the Summer National Service Program, $1,000 for each period of agreed service in the Corps.

"(B) PRORATED AMOUNT FOR INCOMPLETE SERVICE.—The amount of the educational assistance provided to a Corps member under paragraph (1)(B) shall be determined by multiplying—

"(i) the amount that would be applicable to the member under subparagraph (A) if the member had completed the agreed period of service, by

"(ii) the percentage determined by dividing the period of the Corps member's service by the period of the Corps member's agreed period of service.

"An amount that is not an even multiple of $1 shall be rounded down to the next lower even multiple of $1.

"(C) ADJUSTMENT OF AMOUNT.—To the extent provided in appropriations Acts, whenever the maximum permissible grant amount for a year under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.) is increased, the amount of the educational assistance payment under subparagraph (A)(i) shall be increased to the amount equal to the sum of that maximum permissible grant amount (as increased) plus $2,500.

"(3) USES OF ASSISTANCE.—Educational assistance provided for a person under this subsection may be used only for—

"(A) payment of any student loan, whether from a Federal source or a non-Federal source; or

"(B) tuition, room and board, books and fees, and other costs of attendance (determined in accordance with section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll)) that are associated with attendance at an institution of higher education on a full-time basis.

"(4) APPLICATION.—To receive educational assistance under this section, a person shall submit to the Director such information and documentation as the Director may require. In the case of use of the educational assistance for expenses referred to in paragraph (3)(B), the information submitted to the Director shall include, as a minimum, the academic program and institution of higher education at which the educational assistance is to be used.

"(g) CASH BENEFIT.—

"(1) IN GENERAL.—The Director shall provide a cash benefit to each Corps member electing to receive the cash benefit.

"(2) AMOUNT.—The amount of the cash benefit payable to a member of the Corps shall be equal to 50 percent of the amount of the educational assistance that the member would have been entitled to receive under subsection (f) if the member had elected to receive the educational assistance.

"(h) OTHER POST SERVICE BENEFITS.—To the extent the Director considers appropriate, upon a Corps member's completion of the agreed period of service with the Corps, the Director shall provide the member with—

"(1) assistance for the member to pursue a high school diploma or the equivalent;

"(2) in addition to any educational assistance under subsection (f), other assistance for the member to pursue a degree at an institution of higher education; or

"(3) assistance for the member to obtain employment and support services as necessary and appropriate.

"SEC. 195H. ADMINISTRATIVE PROVISIONS.

"(a) BOARD.—The Board shall monitor and supervise the administration of the Civilian Community Corps Demonstration Program established under this subtitle. In carrying out this section, the Board shall—

"(1) approve such guidelines, recommended by the Director, for the design, selection of members, and operation of the Civilian Community Corps as the Board considers appropriate;

"(2) evaluate the progress of the Corps in providing a basis for determining the matters set forth in section 195; and

"(3) carry out any other activities determined appropriate by the Board.

"(b) EXECUTIVE DIRECTOR.—The Executive Director of the Commission on National and Community Service shall—

"(1) monitor the overall operation of the Civilian Community Corps;

"(2) coordinate the activities of the Corps with other youth service programs administered by the Commission; and

"(3) carry out any other activities determined appropriate by the Board.

"(c) STAFF.—

"(1) DIRECTOR.—

"(A) APPOINTMENT.—The Board, in consultation with the Executive Director, shall appoint a Director of the Civilian Community Corps. The Director may be selected from among retired commissioned officers of the Armed Forces of the United States.

"(B) DUTIES.—The Director shall—

"(i) design, develop, and administer the Civilian Community Corps programs;

"(ii) be responsible for managing the daily operations of the Corps; and

"(iii) report to the Board through the Executive Director.

"(C) AUTHORITY TO EMPLOY STAFF.—The Director may employ such staff as is necessary to carry out this subtitle. The Director shall, to the maximum extent practicable, utilize in staff positions personnel who are detailed from departments and agencies of the Federal Government and, to the extent the Director considers appropriate, shall request and accept detail of personnel from such departments and agencies in order to do so.

"(2) PERMANENT CADRE.—

"(A) ESTABLISHMENT.—The Director shall establish a permanent cadre of supervisors and training instructors for Civilian Community Corps programs.

"(B) APPOINTMENT.—The Director shall appoint the members of the permanent cadre.

"(C) EMPLOYMENT CONSIDERATIONS.—In appointing individuals to cadre positions, the Director shall—

"(i) give consideration to retired, discharged, and other inactive members and former members of the Armed Forces recommended under section 195K(a)(2);

"(ii) give consideration to former VISTA, Peace Corps, and youth service program personnel;

"(iii) ensure that the cadre is comprised of males and females of diverse ethnic, economic, professional, and geographic backgrounds; and

"(iv) consider applicants' experience in other youth service programs.

"(D) COMMUNITY SERVICE CREDIT.—Service as a member of the cadre shall be considered as a community service opportunity for purposes of section 534 of the National Defense Authorization Act for Fiscal Year 1993 and as employment with a public service or community service organization for purposes of section 535 of that Act.

"(3) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director, the members of the permanent cadre, and the other staff personnel shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The rates of pay of such persons may be established without regard to the provisions of chapter 53 of such title.

"(4) VOLUNTARY SERVICES.—Notwithstanding any other provision of law, the Director may accept the voluntary services of individuals. While away from their homes or regular places of business on the business of the Corps, such individuals may be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"SEC. 195I. STATUS OF CORPS MEMBERS AND CORPS PERSONNEL UNDER FEDERAL LAW.

"(a) IN GENERAL.—Except as otherwise provided in this section, members of the Civilian Community Corps shall not, by reason of their status as such members, be considered Federal employees or be subject to the provisions of law relating to Federal employment.

"(b) WORK-RELATED INJURIES.—

"(1) IN GENERAL.—For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, members of the Corps shall be considered as employees of the United States within the meaning of the term 'employee', as defined in section 8101 of such title.

"(2) SPECIAL RULE.—In the application of the provisions of subchapter I of chapter 81 of title 5, United States Code, to a person referred to in paragraph (1), the person shall not be considered to be in the performance of duty while absent from the person's assigned post of duty unless the absence is authorized in accordance with procedures prescribed by the Director.

"(c) TORT CLAIMS PROCEDURE.—A member of the Corps shall be considered an employee of the United States for purposes of chapter 171 of title 28, United States Code, relating to tort claims liability and procedure.

"SEC. 195J. CONTRACT AND GRANT AUTHORITY.

"(a) PROGRAMS.—The Director may, by contract or grant, provide for any public or private organization to perform any program function under this subtitle.

"(b) EQUIPMENT AND FACILITIES.—

"(1) FEDERAL AND NATIONAL GUARD PROPERTY.—The Director shall enter into agreements, as necessary, with the Secretary of Defense, the Governor of a State, territory or commonwealth, or the commanding general of the District of Columbia National Guard, as the case may be, to utilize—

"(A) equipment of the Department of Defense and equipment of the National Guard; and

"(B) Department of Defense facilities and National Guard facilities identified pursuant to section 195K(a)(3).

"(2) OTHER PROPERTY.—The Director may enter into contracts or agreements for the use of other equipment or facilities to the extent practicable to train and house members of the Civilian Community Corps and leaders of Corps units.

"SEC. 195K. RESPONSIBILITIES OF OTHER DEPARTMENTS.

"(a) SECRETARY OF DEFENSE.—

"(1) LIAISON OFFICE.—

"(A) ESTABLISHMENT.—The Secretary of Defense shall establish an office to provide for liaison between the Secretary and the Civilian Community Corps.

"(B) DUTIES.—The office shall—

"(i) in order to assist in the recruitment of personnel for appointment in the permanent cadre, make available to the Director information in the registry established by section 531 of the National Defense Authorization Act for Fiscal Year 1993;

"(ii) provide other assistance in the coordination of Department of Defense activities with the Corps; and

"(iii) encourage Armed Forces recruiters to inform potential applicants for the Corps regarding service in the Corps as an alternative to service in the Armed Forces.

"(2) CORPS CADRE.—

"(A) LIST OF RECOMMENDED PERSONNEL.—The Secretary of Defense, in consultation with the liaison office established under paragraph (1) shall develop a list of individuals to be recommended for appointment in the permanent cadre of Corps personnel. Such personnel shall be selected from among members and former members of the Armed Forces referred to in section 195(3) who are commissioned officers, noncommissioned officers, former commissioned officers, or former noncommissioned officers.

"(B) RECOMMENDATIONS REGARDING GRADE AND PAY.—The Secretary of Defense shall recommend to the Director an appropriate rate of pay for each person recommended for the cadre pursuant to this paragraph.

"(C) CONTRIBUTION FOR RETIRED MEMBER'S PAY.—If a listed individual receiving retired or retainer pay is appointed to a position in the cadre and the rate of pay for that individual is established at the amount equal to the difference between the active duty pay and allowances which that individual would receive if ordered to active duty and the amount of the individual's retired or retainer pay, the Secretary of Defense shall pay, by transfer to the Commission on National and Community Service from amounts available for pay of active duty members of the Armed Forces, the amount equal to 50 percent of that individual's rate of pay for service in the cadre.

"(3) FACILITIES.—The Secretary of Defense, in consultation with the liaison office established under paragraph (1), shall identify, with the concurrence of the Secretary of the military department concerned, military installations and other facilities of the Department of Defense and, with the concurrence of the Chief of the National Guard Bureau, National Guard facilities that may be used, in whole or in part, by the Civilian Community Corps for training or housing Corps members. The installations and facilities need not be excess capacity or excess or surplus property.

"(b) SECRETARY OF LABOR.—The Secretary of Labor shall identify and assist in establishing a system for the recruitment of persons to serve as members of the Civilian Community Corps. In carrying out this subsection, the Secretary of Labor may utilize the Employment Service Agency or the Office of Job Training.

"SEC. 195L. ADVISORY BOARD.

"(a) ESTABLISHMENT AND PURPOSE.—There is established a Civilian Community Corps Advisory Board to advise the Director of the Civilian Community Corps concerning the administration of this subtitle and to assist in the development and administration of the Corps.

"(b) MEMBERSHIP.—The Advisory Board shall be composed of the following members:

"(1) The Secretary of Labor.

"(2) The Secretary of Defense.

"(3) The Secretary of the Interior.

"(4) The Secretary of Agriculture.

"(5) The Secretary of Education.

"(6) The Secretary of Housing and Urban Development.

"(7) The Chief of the National Guard Bureau.

"(8) Individuals appointed by the Director from among persons who are broadly representative of educational institutions, voluntary organizations, industry, youth, and labor unions.

"(9) The Chair of the Commission on National and Community Service.

"(c) INAPPLICABILITY OF TERMINATION REQUIREMENT.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Board.

"SEC. 195M. ANNUAL EVALUATION.

"Pursuant to the provisions for evaluations conducted under section 179, and in particular subsection (g) of such section, the Commission on National and Community Service shall conduct an annual evaluation of the Civilian Community Corps programs under this subtitle.

"SEC. 195N. FUNDING LIMITATION.

"The Commission, in consultation with the Director, shall ensure that no amounts appropriated under section 501 are utilized to carry out this subtitle.

"SEC. 195O. DEFINITIONS.

"In this subtitle:

"(1) BOARD.—The term 'Board' means the Board of Directors of the Commission on National and Community Service.

"(2) CORPS.—The term 'Corps' means the Civilian Community Corps established under the Civilian Community Corps Demonstration Program.

"(3) CORPS CAMP.—The term 'Corps camp' means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

"(4) CORPS MEMBERS.—The term 'Corps members' means persons receiving training and participating in projects under the Civilian Community Corps Demonstration Program.

"(5) DIRECTOR.—The term 'Director' means the Director of the Civilian Community Corps.

"(6) EXECUTIVE DIRECTOR.—The term 'Executive Director' means the Executive Director of the Commission on National and Community Service.

"(7) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

"(8) PROGRAM.—The term 'Program' means the Civilian Community Corps Demonstration Program established under section 195A.

"(9) SERVICE LEARNING.—The term 'service learning', with respect to Corps members, means a method—

"(A) under which Corps members learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs;

"(B) that provides structured time for a Corps member to think, talk, or write about what the Corps member did and saw during an actual service activity;

"(C) that provides Corps members with opportunities to use newly acquired skills and knowledge in real life situations in their own communities; and

"(D) that helps to foster the development of a sense of caring for others, good citizenship, and civic responsibility.

"(10) SUPERINTENDENT.—The term 'superintendent', with respect to a Corps camp, means the head of the camp under section 195D(d).

"(11) UNIT.—The term 'unit' means a unit of the Corps referred to in section 195D(c).".

(2) TABLE OF CONTENTS.—The table of contents in section 1(b) of the National and Community Service Act of 1990 is amended by inserting after the item relating to section 190 the following:

"SUBTITLE H—CIVILIAN COMMUNITY CORPS

"Sec. 195. Purpose.
"Sec. 195A. Establishment of demonstration program.
"Sec. 195B. National service program.
"Sec. 195C. Summer national service program.
"Sec. 195D. Civilian Community Corps.
"Sec. 195E. Training.
"Sec. 195F. Service projects.
"Sec. 195G. Authorized benefits for Corps members.
"Sec. 195H. Administrative provisions.
"Sec. 195I. Status of Corps members and Corps personnel under Federal law.
"Sec. 195J. Contract and grant authority.
"Sec. 195K. Responsibilities of other departments.
"Sec. 195L. Advisory board.
"Sec. 195M. Annual evaluation.
"Sec. 195N. Funding limitation.
"Sec. 195O. Definitions.".

(b) REPORT AND STUDY REQUIREMENTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Commission on National Community Service shall prepare and submit to the appropriate committees of Congress a progress report on the implemen-

tation of the provisions of subtitle I of the National and Community Service Act of 1990 (as added by subsection (a)). The progress report shall include an assessment of the activities undertaken in establishing and administering Civilian Community Corps camps and an analysis of the level of coordination of Corps activities with activities of other departments or agencies of the Federal Government.

(2) Not later than 90 days after the end of the 1-year period beginning on the first day of the Civilian Community Corps Demonstration Program established pursuant to section 195A of the National and Community Services Act of 1990 (as added by subsection (a)), the Board of Directors of the Commission on National and Community Service and the Director of the Civilian Community Corps shall prepare and submit to the appropriate committees of Congress a report concerning the desirability and feasibility of establishing the Civilian Community Corps as an independent agency of the Federal Government.

(c) FUNDING.—Of the amount authorized to be appropriated for fiscal year 1993 in section 301, $50,000,000 shall be available for the Civilian Community Corps Demonstration Program established pursuant to section 195A of the National and Community Service Act of 1990 (as added by subsection (a)).

SEC. 1083. COORDINATION OF PROGRAMS.

(a) COORDINATED ADMINISTRATION.—To the maximum extent practicable, the Chief of the National Guard Bureau, the Board of Directors and Executive Director of the Commission on National and Community Service, and the Director of the Civilian Community Corps shall coordinate the National Guard Youth Opportunities Program established pursuant to section 1081 and the Civilian Community Corps Demonstration Program established pursuant to section 195A of the National and Community Service Act of 1990 (as added by section 1082(a)).

(b) OBJECTIVES.—The officials referred to in subsection (a) shall ensure that—

(1) the programs referred to in subsection (a) are conducted in such a manner in relationship to each other that the public benefit of those programs is maximized;

(2) to the maximum extent appropriate to meet the needs of program participants, persons who complete participation in the National Guard Youth Opportunities Program and are eligible and apply to participate in the Civilian Community Corps under the Civilian Community Corps Demonstration Program are accepted for participation in that Program; and

(3) the programs referred to in subsection (a) are conducted simultaneously in competition with each other in the same immediate area of the United States only when the population of eligible participants in that area is sufficient to justify the simultaneous conduct of such programs in that area.

SEC. 1084. OTHER PROGRAMS OF THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) INCREASED COMMISSION ACTIVITIES.—It is the purpose of this section to increase the ability of the Commission on National and Community Service to expand non-residential programs that perform worthwhile urban and rural community projects that assist in the economic transition of localities affected by Department of Defense conversion. The Commission may also explore the potential for developing a program that would permit members of the Civilian Community Corps established under subtitle H of title I of the National and Community Services Act of 1990, as added by section 1082, to provide training to such participants at residential facilities and return them to their local communities for the service portion of their period of agreed service. To the extent practicable, such effort shall be coordinated with the National Guard Civilian Youth Opportunities Program authorized by section 1801 and with the Civilian Community Corps Demonstration Program established under section 195A the National and Community Services Act of 1990, as added by section 1082.

(b) FUNDING AND USE OF FUNDS.—(1) Of the amount authorized to be appropriated for fiscal year 1993 in section 301, $50,000,000 shall be available to the Board of Directors of the Commission on National and Community Service for activities under subtitles B, C, D, E, F, and G of the National and Community Service Act of 1990 (42 U.S.C. 12510 et seq.). Such amount shall be in addition to, and not a substitute for, amounts authorized to be appropriated under section 501 of such Act (42 U.S.C. 12681).

(2) In the use of the funds made available under paragraph (1), the Commission shall give special consideration to—

(A) programs located in communities where facilities of military installation (as defined in section 2687(e)(1) of title 10, United States Code) have been closed;

(B) programs that employ retired, inactive, or discharged military personnel;

(C) programs that involve military personnel participating in volunteer services;

(D) programs that test whether a non-residential, community based youth service corps can engender in young men and women a commitment to civic responsibility and involvement in their communities;

(E) programs that test whether such non-residential corps permit young people who have received military-based training to use their skills and knowledge to improve their communities; and

(F) programs that test whether retired, discharged or inactive members and former members of the Armed Forces can play a meaningful role in service-learning by acting as mentors, teachers, counselors and role models.

SEC. 1085. LIMITATION ON OBLIGATION OF FUNDS.

(a) CIVILIAN COMMUNITY CORPS DEMONSTRATION PROGRAM.—Funds made available pursuant to section 1082(c) may not be obligated during fiscal year 1993 for the Civilian Community Corps Demonstration Program under subtitle H of title I of the National and Community Service Act of 1990 (as added by section 1082(a)), unless expenditures for that program during fiscal year 1993 have been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) OTHER COMMISSION ON NATIONAL AND COMMUNITY SERVICE PROGRAMS.—Funds made available pursuant to section 1084(b) may not be obligated during fiscal year 1993 for activities under subtitles B, C, D, E, F, and G of the National and Community Service Act of 1990 (42 U.S.C. 12510 et seq.), unless expenditures for such activities during fiscal year 1993 have been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle G—Nuclear Proliferation Control

SEC. 1091. IMPOSITION OF SANCTIONS.

(a) DETERMINATION BY THE PRESIDENT.—

(1) IN GENERAL.—Except as provided in subsection (b)(2), the President shall impose the applicable sanctions described in subsection (c) if the President determines that a foreign person or a United States person, on or after the date of the enactment of this section, has materially and with requisite knowledge contributed—

(A) through the export from the United States of any goods or technology that are subject to the jurisdiction of the United States, or

(B) through the export from any other country of any goods or technology that would be, if they were exported from the United States, subject to the jurisdiction of the United States,

to the efforts by any individual, group, or non-nuclear-weapon state to acquire unsafeguarded special nuclear material or to use, develop, produce, stockpile, or otherwise acquire any nuclear explosive device, whether or not the goods or technology is specifically designed or modified for that purpose.

(2) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—Sanctions shall be imposed pursuant to paragraph (1) on—

(A) the foreign person or United States person with respect to which the President makes the determination described in that paragraph;

(B) any successor entity to that foreign person or United States person;

(C) any foreign person or United States person that is a parent or subsidiary of that person if that parent or subsidiary materially and with requisite knowledge assisted in the activities which were the basis of that determination; and

(D) any foreign person or United States person that is an affiliate of that person if that affiliate materially and with requisite knowledge assisted in the activities which were the basis of that determination and if that affiliate is controlled in fact by that foreign person.

(3) OTHER SANCTIONS AVAILABLE.—The sanctions which may be imposed for activities described in this subsection are in addition to any other sanction which may be imposed for the same activities under any other provision of law.

(4) DEFINITION.—For purposes of this subsection, the term "requisite knowledge" includes situations in which a person "knows", as "knowing" is defined in section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2) or has "reason to know" the effect of such person's actions.

(b) CONSULTATION WITH AND ACTIONS BY FOREIGN GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a)(1) with respect to a foreign person, the Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this section for up to 90 days. Following these consultations, the President shall impose sanctions unless the President determines and certifies to the Congress that that government has taken specific and effective actions, including appropriate penalties, to

terminate the involvement of the foreign person in the activities described in subsection (a)(1). The President may delay the imposition of sanctions for up to an additional 90 days if the President determines and certifies to the Congress that that government is in the process of taking the actions described in the previous sentence.

(3) REPORT TO CONGRESS.—Not later than 90 days after making a determination under subsection (a)(1), the President shall submit to the Committee on Foreign Relations and the Committee on Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on the status of consultations with the appropriate government under this subsection, and the basis for any determination under paragraph (2) of this subsection that such government has taken specific corrective actions.

(c) SANCTIONS.—

(1) DESCRIPTION OF SANCTIONS.—The sanctions to be imposed pursuant to subsection (a)(1) are, except as provided in paragraph (3) of this subsection, that the United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from any person described in subsection (a)(2).

(2) DESCRIPTION OF SANCTIONS ON UNITED STATES PERSONS.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the United States person or any parent, subsidiary, affiliate, or successor entity thereof, as described in subsection (a)(2).

(3) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(ii) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

(C) to—

(i) spare parts which are essential to United States products or production,

(ii) component parts, but not finished products, essential to United States products or production, or

(iii) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(D) to information and technology essential to United States products or production; or

(E) to medical or other humanitarian items.

(d) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to this section shall apply for a period of at least 12 months following the imposition of sanctions and shall cease to apply thereafter only if the President determines and certifies to the Congress that—

(1) reliable information indicates that the foreign person or United States person with respect to which the determination was made under subsection (a)(1) has ceased to aid or abet any individual, group, or non-nuclear-weapon state in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in that subsection; and

(2) the President has received reliable assurances from the foreign person or United States person, as the case may be, that such person will not, in the future, aid or abet any individual, group, or non-nuclear-weapon state in its efforts to acquire unsafeguarded special nuclear material or any nuclear explosive device, as described in subsection (a)(1).

(e) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive the application of any sanction imposed on any person pursuant to this section, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to the Congress that the continued imposition of the sanction would have a serious adverse effect on vital United States interests.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

(f) DEFINITIONS.—For the purposes of this section—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the term "United States person" means—

(A) an individual who is a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity which is not a foreign person.

SEC. 1092. ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States executive director to each of the international financial institutions described in section 701(a) of the International Financial Institutions Act (22 U.S.C. 262d(a)) to use the voice and vote of the United States to oppose any direct or indirect use of the institution's funds to promote the acquisition of unsafeguarded special nuclear material or the development, stockpiling, or use of any nuclear explosive device by any non-nuclear-weapon state.

(b) DUTIES OF UNITED STATES EXECUTIVE DIRECTORS.—Section 701(b)(3) of the International Financial Institutions Act (22 U.S.C. 262d(b)(3)) is amended to read as follows:

"(3) whether the recipient country—

"(A) is seeking to acquire unsafeguarded special nuclear material (as defined in section 11(6) of the Omnibus Nuclear Proliferation Control Act of 1992) or a nuclear explosive device (as defined in section 11(3) of that Act);

"(B) is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons; or

"(C) has detonated a nuclear explosive device; and".

SEC. 1093. AMENDMENTS TO THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT AND THE FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991.

(a) BASIS FOR DECLARATION OF NATIONAL EMERGENCY.—Section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) is amended by adding at the end thereof the following new subsection:

"(c) For the purpose of this section, the term 'any unusual and extraordinary threat' includes any international event that the President determines may involve the detonation by a non-nuclear-weapon state of a nuclear explosive device (as defined in section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992) or an action or activity that substantially contributes to the likelihood of the proliferation or detonation of such devices, including the acquisition by a non-nuclear-weapon state of unsafeguarded special nuclear material (as defined in section 11(6) of that Act).".

(b) SANCTIONS ON FINANCIAL INSTITUTIONS.—The Federal Deposit Insurance Corporation Improvement Act of 1991 is amended by adding at the end thereof the following new title:

"TITLE VI—SANCTIONS ON FINANCIAL INSTITUTIONS

"SEC. 601. PRESIDENTIAL DETERMINATION.

"(a) IN GENERAL.—The prohibitions in section 603 shall be imposed on a financial institution if the President determines that such financial institution, on or after the date of the enactment of this section, has materially and with requisite knowledge contributed, through provision of financing or other services, to the efforts by any individual, group, or non-nuclear-weapon state to acquire unsafeguarded special nuclear material or to use, develop, produce, stockpile, or otherwise acquire any nuclear explosive device as these standards and terms are defined and would be applied under section 2 of the Omnibus Nuclear Proliferation Control Act of 1992.

"(b) PRESIDENTIAL ORDER.—Whenever the President makes a determination under subsection (a) with respect to a financial institution, the President shall issue an order specifying a date within 180 days of such determination on which the prohibitions in section 603 shall begin to apply to such institution.

"SEC. 602. ADDITIONAL ENTITIES AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.

"The prohibitions described in section 603 shall also be imposed, pursuant to section 601, on—

"(1) any successor entity to the financial institution with respect to which the President makes such determination;

"(2) any foreign person or United States person that is a parent or subsidiary of such financial institution if that parent or subsidiary materially and with requisite knowledge assisted in the activities which were the basis of such determination; and

"(3) any foreign person or United States person that is an affiliate of such financial institution if that affiliate materially and with requisite knowledge assisted in the activities which were the basis of such determination and if that affiliate is controlled in fact by such financial institution.

"SEC. 603. PROHIBITIONS.

"The following prohibitions shall apply to a financial institution subject to a determination described in section 601 and to related entities described in section 602:

"(1) BAN ON DEALINGS IN GOVERNMENT FINANCE.—

"(A) DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

"(B) GOVERNMENT FUNDS.—Such financial institution shall not serve as agent of the United States Government or serve as repository for United States Government funds.

"(2) RESTRICTIONS ON OPERATIONS.—Such financial institution shall not, directly or indirectly—

"(A) commence any line of business in the United States in which it was not engaged as of the date of the determination; or

"(B) conduct business from any location in the United States at which it did not conduct business as of the date of the determination.

"SEC. 604. CONDITIONS AND TERMINATION OF SANCTIONS.

"The same requirements for consultation with the foreign government of jurisdiction, where appropriate, and for termination of sanctions shall apply under this title as are provided in subsections (b) and (d), respectively, of section 2 of the Omnibus Nuclear Proliferation Control Act of 1992.

"SEC. 605. WAIVER.

"The President may waive the imposition of any prohibition imposed on any financial institution or other person pursuant to section 601 or 602 if the President determines and certifies to the Congress that the imposition of such prohibition would have a serious adverse effect on the safety and soundness of the domestic or international financial system or on domestic or international payments systems.±

"SEC. 606. DEFINITIONS.

"As used in this title—

"(1) the term 'financial institution' includes—

"(A) a depository institution, including a branch or agency of a foreign bank;

"(B) a securities firm, including a broker or dealer;

"(C) an insurance company, including an agency or underwriter;

"(D) any other company that provides financial services; or

"(E) any subsidiary thereof; and

"(2) the term 'requisite knowledge' includes situations in which a person 'knows', as 'knowing' is defined in section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2) or has 'reason to know' the effect of such person's actions.".

SEC.1094. EXPORT-IMPORT BANK.

Section 2(b)(4) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)) is amended by inserting after "device" the following: "(as defined in section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992), or that any country has willfully aided or abetted any such non-nuclear-weapon state (as defined in section 11(4) of that Act) to acquire a nuclear explosive device or to acquire unsafeguarded special nuclear material (as defined in section 11(6) of that Act).".

SEC. 1094A. ELIGIBILITY FOR ASSISTANCE.

(a) AMENDMENTS TO THE ARMS EXPORT CONTROL ACT.—(1) The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—

(A) in section 3 of such Act, by adding at the end thereof the following new subsection:

"(f) No sales or leases shall be made to any country that the President has determined is in material breach of its commitments to the United States under international treaties or agreements concerning the non-proliferation of nuclear explosive devices (as defined in section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992) and unsafeguarded special nuclear material."; and

(B) in section 40(d) of such Act, by adding at the end thereof the following new sentence: "For the purposes of this subsection, such acts shall include all activities that the Secretary determines willfully aid or abet the international proliferation of nuclear explosive devices to individuals or groups or willfully aid or abet an individual or groups in acquiring unsafeguarded special nuclear material (as defined in section 11(6) of that Act).".

(2) Section 47 of such Act is amended—

(A) by striking out "and" at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

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

"(9) 'nuclear explosive device' has the same meaning given to that term by section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992.".

(b) AMENDMENTS TO THE FOREIGN ASSISTANCE ACT OF 1961.—

(1) Section 670(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a(a)(2)) is amended in the first sentence—

(A) by inserting "in any fiscal year" after "President"; and

(B) by inserting "during that fiscal year" after "certifies in writing".

(2) Section 670 of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a) is further amended by adding at the end thereof the following new subsection:

"(d) As used in this section, the term 'nuclear explosive device' has the same meaning given to that term by section 11(3) of the Omnibus Nuclear Proliferation Control Act of 1992.".

(3) Notwithstanding any other provision of law, Presidential Determination No. 82-7 of February 10, 1982, made pursuant to section 670(a)(2) of the Foreign Assistance Act of 1961, shall have no force or effect with respect to any grounds for the prohibition of assistance under section 670(a)(1) of such Act arising on or after the date of enactment of this Act.

(4) Section 620E(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2375(d)) is amended to read as follows:

"(d) The President may waive the prohibitions of section 669 of this Act with respect to any grounds for the prohibition of assistance under that section arising before the date of enactment of the Omnibus Nuclear Proliferation Control Act of 1992 to provide assistance to Pakistan if he determines that to do so is in the national interest of the United States.".

SEC. 1094B. ADDITIONAL AMENDMENTS TO THE FOREIGN ASSISTANCE ACT OF 1961.

(a) TECHNICAL AMENDMENTS.—Section 670(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a(b)) is amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(2) in paragraph (3)(A) (as so redesignated), by striking "paragraph (3)" and inserting "paragraph (4)"; and

(3) in paragraph (4) (as so redesignated), by striking "paragraph (2)" and inserting "paragraph (3)".

(b) ADDITIONAL SANCTIONS.—Section 670(b)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2429a) is amended to read as follows:

"(b)(1) Except as provided in paragraphs (3), (4), and (5), in the event that any country, after the date of enactment of the Omnibus Nuclear Proliferation Control Act of 1992—

"(A) transfers to a non-nuclear-weapon state—

"(i) a nuclear explosive device, or

"(ii) design information or components known by the transferor to be necessary for the recipient's completion of a nuclear explosive device,

"(B) is a non-nuclear-weapon state and—

"(i) receives a nuclear explosive device,

"(ii) receives design information or components necessary for the completion of a nuclear explosive device, or

"(iii) detonates a nuclear explosive device,

"(C) transfers to a non-nuclear-weapon state any design information or component (other than described in subparagraph (A)(ii)) which is determined by the President to be important to, and known by the transferring country to be intended by the recipient state for use in, the development or manufacture of any nuclear explosive device, or

"(D) is a non-nuclear-weapon state and has sought and received any design information or component (other than described in subparagraph (B)(ii)) which is determined by the President to be important to, and intended by the recipient state for use in, the development or manufacture of any nuclear explosive device,

the President shall forthwith impose sanctions against that country, including, as a minimum, those sanctions specified in paragraph (2).

"(2) The sanctions referred to in paragraph (1) are as follows:

"(A) FOREIGN ASSISTANCE.—The United States Government shall terminate assistance to that country under this Act, except for urgent humanitarian assistance or food or other agricultural commodities.

"(B) ARMS SALES.—The United States Government shall terminate—

"(i) sales to that country under the Arms Export Control Act of any defense articles, defense services, or design and construction services, and

"(ii) licenses for the export to that country of any item on the United States Munitions List.

"(C) ARMS SALES FINANCING.—The United States Government shall terminate all foreign military financing for that country under the Arms Export Control Act.

"(D) DENIAL OF UNITED STATES GOVERNMENT CREDIT OR OTHER FINANCIAL ASSISTANCE.—The United States Government shall deny to that country any credit, credit guarantees, or other financial assistance by any department, agency, or instrumentality of the United States Government, including the Export-Import Bank of the United States, except that the sanction of this subparagraph shall not apply to any transaction subject to the reporting requirements of title V of the National Security Act of 1947 (relating to congressional oversight of intelligence activities).

"(E) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The United States Government shall oppose, in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d), the extension of any loan or financial or technical assistance to that country by international financial institutions.

"(F) BANK LOANS.—The United States Government shall prohibit any United States bank from making any loan or providing any credit to the government of that country, except for loans or credits for the purpose of purchasing food or other agricultural commodities.

"(G) EXPORT PROHIBITION.—The authorities of section 6 of the Export Administration Act of 1979 shall be used to prohibit exports to that country of any goods and technology (excluding food and other agricultural commodities), except that such prohibition shall not apply to any transaction subject to the reporting requirements of title V of the National Security Act of 1947 (relating to congressional oversight of intelligence activities).".

(c) CONFORMING AMENDMENTS.—Section 670(b) of such Act (22 U.S.C. 2429a(b)) is further amended—

(1) in paragraph (3)(A) (as redesignated)—

(A) by striking "furnish assistance which would otherwise be prohibited" and inserting in lieu thereof "delay the imposition of sanctions which would otherwise be required"; and

(B) by striking "termination of assistance" and inserting in lieu thereof "imposition of sanctions";

(2) in paragraph (4) (as redesignated), by striking "termination of such assistance" and inserting in lieu thereof "imposition of such sanctions";

(3) by redesignating paragraph (5) (as redesignated by subsection (a)) as paragraph (6); and

(4) by inserting after paragraph (4) (as redesignated) the following:

"(5) Notwithstanding any other provision of law, the sanctions which are required to be imposed against a country under paragraph (1)(C) or (1)(D) shall not apply if the President determines and certifies in writing to the Committee on Foreign Relations and the Committee on Governmental Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives that the application of such sanctions against such country would have a serious adverse effect on vital United States interests. The President shall transmit with such certification a statement setting forth the specific reasons therefor.".

SEC. 1094C. REWARD.

Section 36(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708(a)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C);

(2) by inserting "(1)" immediately after "(a)"; and

(3) by adding at the end thereof the following:

"(2) For purposes of this subsection, the term 'act of international terrorism' includes any act substantially contributing to the acquisition of unsafeguarded special nuclear material (as defined in section 11(6) of the Omnibus Nuclear Proliferation Control Act of 1991) or any nuclear explosive device (as defined in section 11(3) of that Act) by an individual, group, or non-nuclear-weapon state, as defined in section 11(4) of that Act.".

SEC. 1094D. REPORTS.

(a) CONTENT OF ACDA ANNUAL REPORT.—Section 52 of the Arms Control and Disarmament Act (22 U.S.C. 2592) is amended—

(1) by inserting "(a) IN GENERAL.—" after "SEC. 52.";

(2) by striking "and" at the end of paragraph (4);

(3) by striking the period at the end of paragraph (5) and inserting in lieu thereof "; and";

(4) by adding at the end of paragraph (5) the following new paragraph:

"(6) a section of the report shall deal with any material noncompliance by foreign governments with their commitments to the United States with respect to the prevention of the spread of nuclear explosive devices by non-nuclear-weapon states or the acquisition by such states of unsafeguarded special nuclear material (as defined in section 11(6) of the Omnibus Nuclear Proliferation Control Act of 1992), including—

"(A) a net assessment of the aggregate military significance of all such violations;

"(B) a statement of the compliance policy of the United States with respect to violations of those commitments; and

"(C) what actions, if any, the President has taken or proposes to take to bring any nation committing such a violation into compliance with its commitments."; and

(5) by adding at the end thereof the following new subsection:

"(b) REPORTING CONSECUTIVE NONCOMPLIANCE.—If the President in consecutive reports submitted to Congress under this section reports that any designated nation is not in full compliance with its nonproliferation commitments to the United States, then the President shall include in the second such report an assessment of what actions are necessary to compensate for such violations.".

(b) REPORTING ON DEMARCHES.—(1) It is the sense of Congress that the Department of State should, in the course of implementing its reporting responsibilities under section 602(c) of the Nuclear Non-Proliferation Act of 1978, include a summary of demarches that the United States has issued or received from foreign governments with respect to activities which are of significance from the proliferation standpoint.

(2) For purposes of this section, the term "demarche" means any official communication by one government to another, by written or oral means, intended by the originating government to express—

(A) a concern over a past, present, or possible future action or activity of the recipient government, or of a person within the jurisdiction of that government, contributing to the global spread of unsafeguarded special nuclear material or of nuclear explosive devices;

(B) a request for the recipient government to counter such action or activity; or

(C) both the concern and request described in subparagraphs (A) and (B).

SEC. 1094E. TECHNICAL CORRECTION.

Section 133(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2160c) is amended by striking out "20 kilograms" and inserting in lieu thereof "5 kilograms".

SEC. 1094F. DEFINITIONS.

For purposes of this subtitle—

(1) the term "goods and technology" includes nuclear materials and equipment and sensitive nuclear technology (as defined in section 4 of the Nuclear Non-Proliferation Act of 1978), all export items designated by the President pursuant to section 309(c) of such Act, and all technical assistance requiring authorization under section 57b. of the Atomic Energy Act of 1954;

(2) the term "IAEA safeguards" means the safeguards set forth in an agreement between a country and the International Atomic Energy Agency, as authorized by Article III(A)(5) of the Statute of the International Atomic Energy Agency;

(3) the term "nuclear explosive device" means any device that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT);

(4) the term "non-nuclear-weapon state" means any country which is not a nuclear-weapon state, as defined by Article IX (3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968;

(5) the term "special nuclear material" has the meaning given to that term by section 11aa of the Atomic Energy Act of 1954 (42 U.S.C. 2014aa); and

(6) the term "unsafeguarded special nuclear material" means special nuclear material which is held in violation of IAEA safeguards or not subject to IAEA safeguards (excluding any quantity of material that could, if it were exported from the United States, be exported under a general license issued by the Nuclear Regulatory Commission).

Subtitle H—Arms Retooling and Manufacturing Support Initiative

SEC. 1095. SHORT TITLE.

This subtitle may be cited as the "Arms Retooling and Manufacturing Support Act of 1992".

SEC. 1096. POLICY.

It is the policy of the United States—

(1) to encourage, to the maximum extent practicable, nondefense commercial firms to use Government-owned, contractor-operated ammunition facilities of the Department of the Army;

(2) to use such facilities for supporting programs, projects, policies, and initiatives that promote competition in the private sector of the United States economy and that advance United States interests in the global marketplace;

(3) to increase the manufacture of products inside the United States that, to a significant extent, are manufactured outside the United States;

(4) to support policies and programs that provide manufacturers with incentives to assist the United States in making more efficient and economical use of Government-owned industrial plants and equipment for commercial purposes;

(5) to provide, as appropriate, small businesses, including socially and economically disadvantaged small business concerns and new small businesses, with incentives that encourage those businesses to undertake manufacturing and other industrial processing activities that contribute to the prosperity of the United States;

(6) to encourage the creation of jobs through increased investment in the private sector of the United States economy;

(7) to foster a more efficient, cost-effective, and adaptable armaments industry in the United States;

(8) to achieve, with respect to armaments manufacturing capacity, an optimum level of readiness of the defense industrial base of the United States that is consistent with the projected threats to the national security of the United States and the projected emergency requirements of the Armed Forces of the United States; and

(9) to encourage facility contracting where feasible.

SEC. 1097. ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE.

(a) REQUIREMENT FOR INITIATIVE.—The Secretary of the Army shall carry out a program

to be known as the "Armament Retooling and Manufacturing Support Initiative" (hereafter in this Act referred to as the "ARMS Initiative").

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

(1) To encourage commercial firms, to the maximum extent practicable, to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army for commercial purposes.

(2) To increase the opportunities for small businesses, including socially and economically disadvantaged small business concerns and new small businesses, to use such facilities for those purposes.

(3) To reduce the adverse effects of reduced Department of the Army spending that are experienced by States and communities by providing for such facilities to be used for commercial purposes that create jobs and promote prosperity.

(4) To provide for the reemployment and retraining of skilled workers who, as a result of the closing of such facilities, are idled or underemployed.

(5) To contribute to the attainment of economic stability in economically depressed regions of the United States where there are Government-owned, contractor-operated ammunition manufacturing facilities of the Department of Army.

(6) To maintain in the United States a work force having the skills in manufacturing processes that are necessary to meet industrial emergency planned requirements for national security purposes.

(7) To be a model for future defense conversion initiatives.

(8) To the maximum extent practicable, to allow the operation of Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army to be rapidly responsive to the forces of free market competition.

(9) Through the use of Government-owned, contractor-operated ammunition manufacturing facilities for commercial purposes, to encourage relocation of industrial production to the United States from outside the United States.

(c) MAXIMUM AVAILABILITY OF FACILITIES.—To the maximum extent practicable, the Secretary of the Army shall make the Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army available for the purposes of the ARMS Initiative.

SEC. 1098. FACILITY CONTRACTOR DEFINED.

In this subtitle, the term "facility contractor", with respect to a Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army, means a contractor that, under a contract with the Secretary of the Army—

(1) is authorized to manufacture ammunition or any component of ammunition at the facility; and

(2) is responsible for the overall operation and maintenance of the facility for meeting planned requirements in the event of an industrial emergency.

SEC. 1099. FACILITIES CONTRACTS.

(a) REQUIREMENT FOR ARMS CONTRACTS.—(1) In the case of each Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army that is made available for the ARMS Initiative, the Secretary of the Army shall, by contract, authorize the facility contractor—

(A) to use the facility for one or more years consistent with the purposes of the ARMS Initiative; and

(B) to enter into multiyear subcontracts for the commercial use of the facility consistent with such purposes.

(2) The authority in paragraph (1) may be exercised only to such extent and in such amounts as are provided in appropriations Acts.

Subtitle I—Defense Conversion and Transition Assistance

SEC. 1099A. FINDINGS AND POLICY.

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

(1) The collapse of communism in Eastern Europe and the dissolution of the Soviet Union have fundamentally changed the military threat that formed the basis for the national security policy of the United States since the end of World War II.

(2) The change in the military threat presents a unique opportunity to restructure and reduce the military requirements of the United States.

(3) As the United States proceeds with the post-Cold War defense build down, the Nation must recognize and address the impact of reduced defense spending on the military personnel, civilian employees, and defense industry workers who have been the foundation of the national defense policies of the United States.

(4) The defense build down will have a significant impact on communities as procurements are reduced and military installations are closed and realigned.

(5) Despite the changes in the military threat, the United States must maintain the capability to respond to regional conflicts that threaten the national interests of the United States, and to reconstitute forces in the event of an extended conflict.

(6) The skills and capabilities of military personnel, civilian employees of the Department of Defense, defense industry workers, and defense industries represent an invaluable national resource that can contribute to the economic growth of the United States and to the long-term vitality of the national defense technology and industrial base.

(7) Prompt and vigorous implementation of a defense conversion and transition assistance program is essential to ensure that the defense build down is structured in a manner that enhances the long-term ability of the United States to maintain a strong and vibrant national defense technology and industrial base.

(b) POLICY.—(1) It is the policy of Congress that the United States attain its national defense objectives through the development and implementation of defense conversion and transition assistance programs that have the following objectives:

(A) Facilitating the transition of military personnel, civilian employees of the United States, and defense industry workers affected by the defense build down in a manner which recognizes the contributions of those individuals to the national defense and promotes continued national access to, and benefit from, their skills and capabilities.

(B) Assisting communities in adjusting to the impact of reduced defense spending in recognition of the contributions that such communities have made to the national defense of the United States.

(C) Strengthening the ability of the national defense technology and industrial base to meet the following national security objectives:

(i) Supplying and equipping the force structure necessary to meet near-term national security requirements.

(ii) Sustaining production, maintenance, repair, and logistics for operations of various durations and intensity.

(iii) Maintaining advanced research and development activities to provide the Armed Forces of the United States with systems capable of ensuring technological superiority over potential adversaries.

(iv) Reconstituting within a reasonable period the capability to develop and produce supplies and equipment, including technologically advanced systems, in sufficient quantities to prepare fully for a major war, major national emergency, or major mobilization of the Armed Forces.

(D) Achieving the national defense technology and industrial base objectives described in subparagraph (C) by enhancing the opportunities for conversion of defense-dependent businesses to dual-use capabilities.

(2) It is the policy of Congress that not less than $1,200,000,000 of the funds authorized to be appropriated by this Act be available for defense conversion and transition assistance programs.

SEC. 1099B. ACTIVE FORCES TRANSITION ENHANCEMENTS.

Not later than 45 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt implementation of the following programs and authorities:

(1) The program to encourage members and former members of the Armed Forces to enter critical public and community service jobs after discharge or release from active duty as established pursuant to section 1143a of title 10, United States Code (as added by section 531(a)).

(2) The program to facilitate alternative teaching certification for personnel separating or retiring from the Armed Forces who choose to enter teaching based upon military experience and training, as provided in section 532.

(3) The program to grant educational leave to qualify for and enter public and community service, as authorized by section 533.

(4) The temporary early retirement authorities provided in sections 534 and 535.

(5) The authority for persons being voluntarily separated from active duty in the Armed Forces to enroll in the Montgomery GI Bill program under section 536.

(6) The revision of the recoupment requirement related to certain reserve duty, as provided under section 537.

(7) The program referred to in section 538 for certain employment, job training, and other assistance for members of the Armed Forces who are being separated from active duty.

(8) The temporary continued health coverage for members of the Armed Forces upon separation from active duty, as provided under section 1078a of title 10, United States Code (as added by section 539).

SEC. 1099C. GUARD AND RESERVE TRANSITION INITIATIVES.

Not later than 45 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt implementation of the following programs and authorities:

(1) The regulations required by sections 543 through 545 concerning inactivation of units of the Selected Reserve, involuntary discharge from a reserve component of the Armed Forces, and involuntary transfer from the Selected Reserve.

(2) The temporary authority for early retirements established under sections 546 and 547.

(3) The temporary authority for separation pay provided in section 548.

(4) The waiver of the continued service requirement for Montgomery GI Bill benefits under section 549.

(5) The transitional commissary and exchange privileges authorized by section 550.

(6) The temporary continuation of Servicemen's Group Life Insurance coverage provided under section 551.

SEC. 1099D. DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL TRANSITION INITIATIVES.

(a) REQUIREMENT FOR REGULATIONS WITHIN 45 DAYS.—Not later than 45 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt implementation of the following programs and authorities, consistent with such guidance as may be issued by the Director of the Office of Personnel Management:

(1) The reemployment assistance requirements provided pursuant to sections 341 and 342.

(2) The reduction-in-force notification requirements provided pursuant to section 343.

(3) The commencement of eligibility for certain job training assistance to employees adversely affected by base closures and realignments, as established pursuant to section 344.

(4) The authority to continue health benefits established pursuant to section 346.

(5) The authority to pay benefits under the Thrift Savings Plan to employees separated by a reduction in force, as provided pursuant to section 347.

(6) The authority to establish skill training programs in the Department of Defense, as provided in section 348.

(b) REQUIREMENT FOR PROMPT IMPLEMENTATION.—The Secretary of Defense, subject to such regulations as may be prescribed by the Director of the Office of Personnel Management, shall ensure the prompt implementation of the authority established in section 345 to provide separation benefits and to restore certain leave.

SEC. 1099E. COMMUNITY TRANSITION INITIATIVES.

(a) ECONOMIC ADJUSTMENT.—The Secretary of Defense shall promptly establish implementation schedules to ensure that policies and procedures required pursuant to section 331 are issued not later than 90 days after the date of the enactment of this Act, and to ensure that communities, businesses, and workers substantially and seriously affected by reductions in defense expenditures are advised of the assistance available to such communities, businesses, and workers.

(b) ECONOMIC, CONVERSION, AND STABILIZATION ASSISTANCE.—Not later than 45 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations to ensure the prompt and effective delivery of assistance under the Defense Economic Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101-510; 10 U.S.C. 2391 note), as amended by sections 331 and 332, to communities, businesses, and workers substantially and seriously affected by reductions and defense expenditures.

(c) IMPACT AID.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt and effective implementation of the authority provided in section 333 to furnish assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.

SEC. 1099F. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE CONVERSION AND TRANSITION INITIATIVES.

(a) PUBLIC INFORMATION REQUIREMENT.—The Secretary of Defense shall promptly establish implementation schedules to ensure that, not later than 90 days after the date of the enactment of this Act, policies and procedures are issued to provide for wide public dissemination of the opportunities to participate in programs authorized pursuant to sections 802, 804, and 805.

(b) PROGRAMS IMPLEMENTATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including program objectives and schedules for implementation, to ensure the prompt and effective implementation of the following programs, requirements, and authorities:

(1) The defense dual-use technology research and development programs referred to in section 802.

(2) The defense dual-use manufacturing technology programs referred to in section 804.

(3) The national defense technology and industrial base dual-use assistance extension programs.

(4) The requirements and authorities provided under section 807 for the Small Business Innovation Research Program.

(c) COMMENCEMENT OF OPERATIONS BY THE OFFICE OF TECHNOLOGY TRANSITION.—Notwithstanding section 803(b) of this Act, the Office of Technology Transition established by section 803(a) shall commence operations not later than 120 days after the date of enactment of this Act.

TITLE XI—DEMILITARIZATION OF THE FORMER SOVIET UNION

Subtitle A—Short Title

SEC. 1101. SHORT TITLE.

This title may be cited as the "Former Soviet Union Demilitarization Act of 1992".

Subtitle B—Findings and Program Authority

SEC. 1111. DEMILITARIZATION OF THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

The Congress finds that it is in the national security interest of the United States—

(1) to facilitate, on a priority basis—

(A) the transportation, storage, safeguarding, and destruction of nuclear and other weapons of mass destruction of the independent states of the former Soviet Union;

(B) the prevention of proliferation of weapons of mass destruction and destabilizing conventional weapons of the independent states of the former Soviet Union, and the establishment of verifiable safeguards against the proliferation of such weapons;

(C) the prevention of diversion of weapons-related scientific expertise of the former Soviet Union to terrorist groups or third countries; and

(D) other efforts designed to reduce the military threat from the former Soviet Union;

(2) to support the conversion of the massive defense-related industry and equipment of the independent states of the former Soviet Union for civilian purposes and uses; and

(3) to expand military-to-military contacts between the United States and the independent states of the former Soviet Union.

SEC. 1112. AUTHORITY FOR PROGRAMS TO FACILITATE DEMILITARIZATION.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized, in accordance with this title, to establish and conduct programs described in subsection (b) to assist the demilitarization of the independent states of the former Soviet Union.

(b) TYPES OF PROGRAMS.—The programs referred to in subsection (a) are limited to—

(1) transporting, storing, safeguarding, disabling, and destroying nuclear, chemical, and other weapons of the independent states of the former Soviet Union, as described in section 212(b) of the Conventional Forces in Europe Treaty Implementation Act of 1991 (Public Law 102-228);

(2) establishing verifiable safeguards against the proliferation of such weapons;

(3) preventing diversion of weapons-related scientific expertise of the former Soviet Union to terrorist groups or third countries;

(4) facilitating the conversion of military technologies and capabilities and defense industries of the former Soviet Union into civilian activities;

(5) establishing science and technology centers in the independent states of the former Soviet Union for the purpose of engaging weapons scientists and engineers previously involved with nuclear, chemical, and other weapons of mass destruction in productive, nonmilitary undertakings; and

(6) expanding military-to-military contacts between the United States and the independent states of the former Soviet Union.

(c) RESTRICTIONS.—United States assistance authorized by subsection (a) may not be provided unless the President certifies to the Congress, on an annual basis, that the proposed recipient country is committed to—

(1) making a substantial investment of its resources for dismantling or destroying such weapons of mass destruction, if such recipient has an obligation under treaty or other agreement to destroy or dismantle any such weapons;

(2) forgoing any military modernization program that exceeds legitimate defense requirements and forgoing the replacement of destroyed weapons of mass destruction;

(3) forgoing any use in new nuclear weapons of fissionable or other components of destroyed nuclear weapons;

(4) facilitating United States verification of any weapons destruction carried out under section 212 of the Conventional Forces in Europe Treaty Implementation Act of 1991 (Public Law 102-228);

(5) complying with all relevant arms control agreements; and

(6) observing internationally recognized human rights, including the protection of minorities.

Subtitle C—Administrative and Funding Authorities

SEC. 1121. ADMINISTRATION OF DEMILITARIZATION PROGRAMS.

(a) FUNDING.—(1) In recognition of the direct contributions to the national security interests of the United States of the activities specified in section 1112, funds transferred under sections 108 and 109 of Public Law 102-229 (105 Stat. 1708) are authorized to be made available to carry out subtitle B. Of the amount available to carry out such subtitle, not more than $20,000,000 may be made available for programs referred to in section 1112(b)(6), relating to military-to-military contacts.

(2) Section 221(a)(1) of the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102-228; 105 Stat. 1695) is amended—

(A) by striking "fiscal year 1992" and inserting "fiscal years 1992 and 1993"; and

(B) by striking out "$400,000,000" and inserting in lieu thereof "$800,000,000".

(3) Section 221(e) of such Act is amended—

(A) by inserting "for fiscal year 1992 or fiscal year 1993" after "under part B";

(B) by inserting "for that fiscal year" after "for that program"; and

(C) by striking out "for fiscal year 1992" and inserting in lieu thereof "for that fiscal year".

(b) TECHNICAL REVISIONS TO PUBLIC LAW 102-229.—Public Law 102-229 is amended—

(1) in section 108 (105 Stat. 1708), by striking out "contained in H.R. 3807, as passed the Senate on November 25, 1991" and inserting in lieu thereof "(title II of Public Law 102-228)"; and

(2) in section 109 (105 Stat. 1708)—

(A) by striking out "H.R. 3807, as passed the Senate on November 25, 1991" and inserting in lieu thereof "Public Law 102-228 (105 Stat. 1696)"; and

(B) by striking "of H.R. 3807".

Subtitle D—Reporting Requirements

SEC. 1131. PRIOR NOTICE OF OBLIGATIONS TO CONGRESS.

Not less than 15 days before obligating any funds made available for a program under subtitle B, the President shall transmit to the Congress a report on the proposed obligation. Each such report shall specify—

(1) the account, budget activity, and particular program or programs from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation; and

(2) the activities and forms of assistance under subtitle B for which the President plans to obligate such funds.

SEC. 1132. QUARTERLY REPORTS ON PROGRAMS.

Not later than 30 days after the end of the last fiscal year quarter for fiscal year 1992 and each fiscal year quarter for fiscal year 1993, the President shall transmit to the Congress a report on the activities carried out under subtitle B. Each such report shall set forth, for the preceding fiscal year quarter and cumulatively, the following:

(1) The amounts expended for such activities and the purposes for which they were expended.

(2) The source of the funds obligated for such activities, specified by program.

(3) A description of the participation of all United States Government departments and agencies in such activities.

(4) A description of the activities carried out under subtitle B and the forms of assistance provided under that part.

(5) Such other information as the President considers appropriate to fully inform the Congress concerning the operation of the programs authorized under subtitle B.

TITLE XII—CUBAN DEMOCRACY ACT OF 1992

SEC. 1201. SHORT TITLE.

This title may be cited as the "Cuban Democracy Act of 1992".

SEC. 1202. FINDINGS.

The Congress makes the following findings:

(1) The government of Fidel Castro has demonstrated consistent disregard for internationally accepted standards of human rights and for democratic values. It restricts the Cuban people's exercise of freedom of speech, press, assembly, and other rights recognized by the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on December 10, 1948. It has refused to admit into Cuba the representative of the United Nations Human Rights Commission appointed to investigate human rights violations on the island.

(2) The Cuban people have demonstrated their yearning for freedom and their increasing opposition to the Castro government by risking their lives in organizing independent, democratic activities on the island and by undertaking hazardous flights for freedom to the United States and other countries.

(3) The Castro government maintains a military-dominated economy that has decreased the well-being of the Cuban people in order to enable the government to engage in military interventions and subversive activities throughout the world and, especially, in the Western Hemisphere. These have included involvement in narcotics trafficking and support for the FMLN guerrillas in El Salvador.

(4) There is no sign that the Castro regime is prepared to make any significant concessions to democracy or to undertake any form of democratic opening. Efforts to suppress dissent through intimidation, imprisonment, and exile have accelerated since the political changes that have occurred in the former Soviet Union and Eastern Europe.

(5) Events in the former Soviet Union and Eastern Europe have dramatically reduced Cuba's external support and threaten Cuba's food and oil supplies.

(6) The fall of communism in the former Soviet Union and Eastern Europe, the now universal recognition in Latin America and the Caribbean that Cuba provides a failed model of government and development, and the evident inability of Cuba's economy to survive current trends, provide the United States and the international democratic community with an unprecedented opportunity to promote a peaceful transition to democracy in Cuba.

(7) However, Castro's intransigence increases the likelihood that there could be a collapse of the Cuban economy, social upheaval, or widespread suffering. The recently concluded Cuban Communist Party Congress has underscored Castro's unwillingness to respond positively to increasing pressures for reform either from within the party or without.

(8) The United States cooperated with its European and other allies to assist the difficult transitions from Communist regimes in Eastern Europe. Therefore, it is appropriate for those allies to cooperate with United States policy to promote a peaceful transition in Cuba.

SEC. 1203. STATEMENT OF POLICY.

It should be the policy of the United States—

(1) to seek a peaceful transition to democracy and a resumption of economic growth in Cuba through the careful application of sanctions directed at the Castro government and support for the Cuban people;

(2) to seek the cooperation of other democratic countries in this policy;

(3) to make clear to other countries that, in determining its relations with them, the United States will take into account their willingness to cooperate in such a policy;

(4) to seek the speedy termination of any remaining military or technical assistance, subsidies, or other forms of assistance to the Government of Cuba from any of the independent states of the former Soviet Union;

(5) to continue vigorously to oppose the human rights violations of the Castro regime;

(6) to maintain sanctions on the Castro regime so long as it continues to refuse to move toward democratization and greater respect for human rights;

(7) to be prepared to reduce the sanctions in carefully calibrated ways in response to positive developments in Cuba;

(8) to encourage free and fair elections to determine Cuba's political future;

(9) to prevent Cuba from evading the United States embargo of that country through a North American Free Trade Agreement;

(10) to request the speedy termination of any military or technical assistance, subsidies, or other forms of assistance to the Government of Cuba from the government of any other country; and

(11) to initiate immediately the development of a comprehensive United States policy toward Cuba in a post-Castro era.

SEC. 1204. INTERNATIONAL COOPERATION.

(a) CUBAN TRADING PARTNERS.—The President should encourage the governments of countries that conduct trade with Cuba to restrict their trade and credit relations with Cuba in a manner consistent with the purposes of this title.

(b) SANCTIONS AGAINST COUNTRIES ASSISTING CUBA.—

(1) SANCTIONS.—The President may apply the following sanctions to any country that provides assistance to Cuba:

(A) The government of such country shall not be eligible for assistance under the Foreign Assistance Act of 1961 or assistance or sales under the Arms Export Control Act.

(B) Such country shall not be eligible, under any program, for forgiveness or reduction of debt owed to the United States Government.

(2) DEFINITION OF ASSISTANCE.—For purposes of paragraph (1), the term "assistance to Cuba"—

(A) means assistance to or for the benefit of the Government of Cuba that is provided by grant, concessional sale, guaranty, or insurance, or by any other means on terms more favorable than that generally available in the applicable market, whether in the form of a loan, lease, credit, or otherwise, and such term includes subsidies for exports to Cuba and favorable tariff treatment of articles that are the growth, product, or manufacture of Cuba; and

(B) does not include—

(i) donations of food to nongovernmental organizations or individuals in Cuba, or

(ii) exports of medicines or medical supplies, instruments, or equipment that would be permitted under section 1205(c) of this Act.

(3) APPLICABILITY OF SECTION.—This section, and any sanctions imposed pursuant to this section, shall cease to apply at such time as the President makes and reports to the Congress a determination under section 1208(a).

SEC. 1205. SUPPORT FOR THE CUBAN PEOPLE.

(a) PROVISIONS OF LAW AFFECTED.—The provisions of this section apply notwithstanding any other provision of law, including section 620(a) of the Foreign Assistance Act of 1961, and notwithstanding the exercise of authorities, before the enactment of this Act, under section 5(b) of the Trading With the Enemy Act, the International Emergency Economic Powers Act, or the Export Administration Act of 1979.

(b) DONATIONS OF FOOD.—Nothing in this or any other title shall prohibit donations of food to nongovernmental organizations or individuals in Cuba.

(c) EXPORTS OF MEDICINES AND MEDICAL SUPPLIES.—Exports of medicines or medical supplies, instruments, or equipment to Cuba shall not be restricted—

(1) except to the extent authorized by section 5(m) of the Export Administration Act

of 1979 or section 203(b)(2) of the International Emergency Economic Powers Act;

(2) except in a case in which there is a reasonable likelihood that the item to be exported will be used for purposes of torture or other human rights abuses;

(3) except in a case in which there is a reasonable likelihood that the item to be exported will be reexported; and

(4) except in a case in which the item to be exported could be used in the production of any biotechnological product.

(d) REQUIREMENTS FOR CERTAIN EXPORTS.—

(1) ONSITE VERIFICATIONS.—(A) Subject to subparagraph (B), an export may be made under subsection (c) only if the President determines that the United States Government is able to verify, by onsite inspections and other appropriate means, that the exported item is to be used for the purposes for which it was intended and only for the use and benefit of the Cuban people.

(B) EXCEPTION.—Subparagraph (A) does not apply to donations to nongovernmental organizations in Cuba of medicines for humanitarian purposes.

(2) LICENSES.—Exports permitted under subsection (c) shall be made pursuant to specific licenses issued by the United States Government.

(e) TELECOMMUNICATIONS SERVICES AND FACILITIES.—

(1) TELECOMMUNICATIONS SERVICES.—Telecommunications services between the United States and Cuba shall be permitted.

(2) TELECOMMUNICATIONS FACILITIES.—Telecommunications facilities are authorized in such quantity and of such quality as may be necessary to provide efficient and adequate telecommunications services between the United States and Cuba.

(3) LICENSING OF PAYMENTS TO CUBA.—(A) The President may provide for the issuance of licenses for the full or partial payment to Cuba of amounts due Cuba as a result of the provision of telecommunications services authorized by this subsection, in a manner that is consistent with the public interest and the purposes of this title, except that this paragraph shall not require any withdrawal from any account blocked pursuant to regulations issued under section 5(b) of the Trading With the Enemy Act.

(B) If only partial payments are made to Cuba under subparagraph (A), the amounts withheld from Cuba shall be deposited in an account in a banking institution in the United States. Such account shall be blocked in the same manner as any other account containing funds in which Cuba has any interest, pursuant to regulations issued under section 5(b) of the Trading With the Enemy Act.

(4) AUTHORITY OF FEDERAL COMMUNICATIONS COMMISSION.—Nothing in this subsection shall be construed to supersede the authority of the Federal Communications Commission.

(f) DIRECT MAIL DELIVERY TO CUBA.—The United States Postal Service shall take such actions as are necessary to provide direct mail service to and from Cuba, including, in the absence of common carrier service between the 2 countries, the use of charter service providers.

(g) ASSISTANCE TO SUPPORT DEMOCRACY IN CUBA.—The United States Government may provide assistance, through appropriate nongovernmental organizations, for the support of individuals and organizations to promote nonviolent democratic change in Cuba.

SEC. 1206. SANCTIONS.

(a) PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.—

(1) PROHIBITION.—Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

(2) APPLICABILITY TO EXISTING CONTRACTS.—Paragraph (1) shall not affect any contract entered into before the date of the enactment of this Act.

(b) PROHIBITIONS ON VESSELS.—

(1) VESSELS ENGAGING IN TRADE.—Beginning on the 61st day after the date of the enactment of this Act, a vessel which enters a port or place in Cuba to engage in the trade of goods or services may not, within 180 days after departure from such port or place in Cuba, load or unload any freight at any place in the United States, except pursuant to a license issued by the Secretary of the Treasury.

(2) VESSELS CARRYING GOODS OR PASSENGERS TO OR FROM CUBA.—Except as specifically authorized by the Secretary of the Treasury, a vessel carrying goods or passengers to or from Cuba or carrying goods in which Cuba or a Cuban national, as defined in section 515.302 of the Office of Foreign Assets Control Treasury Regulations, has any interest may not enter a United States port.

(3) INAPPLICABILITY OF SHIP STORES GENERAL LICENSE.—No commodities which may be exported under a general license described in section 771.9 of title 15, Code of Federal Regulations, as in effect on May 1, 1992, may be exported under a general license to any vessel carrying goods or passengers to or from Cuba or carrying goods in which Cuba or a Cuban national has an interest.

(4) DEFINITIONS.—As used in this subsection—

(A) the term "vessel" includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water, but does not include aircraft; and

(B) the term "United States" includes the territories and possessions of the United States and the customs waters of the United States (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401)).

(c) RESTRICTIONS ON REMITTANCES TO CUBA.—The President shall establish strict limits on remittances to Cuba by United States persons for the purpose of financing the travel of Cubans to the United States, in order to ensure that such remittances reflect only the reasonable costs associated with such travel, and are not used by the Government of Cuba as a means of gaining access to United States currency.

(d) CLARIFICATION OF APPLICABILITY OF SANCTIONS.—The prohibitions contained in subsections (a), (b), and (c) shall not apply with respect to any activity otherwise permitted by section 1205 or section 1207 of this title or any activity which may not be regulated or prohibited under section 5(b)(4) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)(4)).

SEC. 1207. POLICY TOWARD A TRANSITIONAL CUBAN GOVERNMENT.

Food, medicine, and medical supplies for humanitarian purposes should be made available for Cuba under the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954 if the President determines and certifies to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate that the government in power in Cuba—

(1) has made a public commitment to hold free and fair elections for a new government within 6 months and is proceeding to implement that decision;

(2) has made a public commitment to respect, and is respecting, internationally recognized human rights and basic democratic freedoms; and

(3) is not providing weapons or funds to any group, in any other country, that seeks the violent overthrow of the government of that country.

SEC. 1208. POLICY TOWARD A DEMOCRATIC CUBAN GOVERNMENT.

(a) WAIVER OF RESTRICTIONS.—The President may waive the requirements of section 1206 if the President determines and reports to the Congress that the Government of Cuba—

(1) has held free and fair elections conducted under internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) is moving toward establishing a free market economic system; and

(5) has committed itself to constitutional change that would ensure regular free and fair elections that meet the requirements of paragraph (2).

(b) POLICIES.—If the President makes a determination under subsection (a), the President shall take the following actions with respect to a Cuban Government elected pursuant to elections described in subsection (a):

(1) To encourage the admission or reentry of such government to international organizations and international financial institutions.

(2) To provide emergency relief during Cuba's transition to a viable economic system.

(3) To take steps to end the United States trade embargo of Cuba.

(4) To enter into negotiations for a framework agreement providing for trade with Cuba.

SEC. 1209. EXISTING CLAIMS NOT AFFECTED.

Except as provided in section 1205(a), nothing in this title affects the provisions of section 620(a)(2) of the Foreign Assistance Act of 1961.

SEC. 1210. ENFORCEMENT.

(a) ENFORCEMENT AUTHORITY.—The authority to enforce this title shall be carried out by the Secretary of the Treasury. The Secretary of the Treasury shall exercise the authorities of the Trading With the Enemy Act in enforcing this Act. In carrying out this subsection, the Secretary of the Treasury shall take the necessary steps to ensure that activities permitted under section 1205 are carried out for the purposes set forth in this title and not for purposes of the accumulation by the Cuban Government of excessive amounts of United States currency or the accumulation of excessive profits by any person or entity.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this title.

(c) PENALTIES UNDER THE TRADING WITH THE ENEMY ACT.—Section 16 of the Trading With the Enemy Act (50 U.S.C. App. 16) is amended—

(1) by inserting "(a)" before "That whoever"; and

(2) by adding at the end the following:

"(b)(1) The Secretary of the Treasury may impose a civil penalty of not more than $50,000 on any person who violates any license, order, rule, or regulation issued under this Act.

"(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation under paragraph (1) shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States Government.

"(3) The penalties provided under this subsection may not be imposed for—

"(A) news gathering, research, or the export or import of, or transmission of, information or informational materials; or

"(B) clearly defined educational or religious activities, or activities of recognized human rights organizations, that are reasonably limited in frequency, duration, and number of participants.

"(4) The penalties provided under this subsection may be imposed only on the record after opportunity for an agency hearing in accordance with sections 554 through 557 of title 5, United States Code, with the right to prehearing discovery.

"(5) Judicial review of any penalty imposed under this subsection may be had to the extent provided in section 702 of title 5, United States Code.".

(d) APPLICABILITY OF PENALTIES.—The penalties set forth in section 16 of the Trading With the Enemy Act shall apply to violations of this title to the same extent as such penalties apply to violations under that Act.

(e) OFFICE OF FOREIGN ASSETS CONTROL.—The Department of the Treasury shall establish and maintain a branch of the Office of Foreign Assets Control in Miami, Florida, in order to strengthen the enforcement of this Act.

SEC. 1211. DEFINITION.

As used in this Act, the term "United States person" means any United States citizen or alien admitted for permanent residence in the United States, and any corporation, partnership, or other organization organized under the laws of the United States.

SEC. 1212. EFFECTIVE DATE.

This title shall take effect on the date of the enactment of this Act.

TITLE XIII—NATIONAL EDUCATION GOALS PANEL

SEC. 1301. PANEL ESTABLISHED.

(a) ESTABLISHMENT.—There is established within the Department of Education a National Education Goals Panel (hereafter in this title referred to as the "Panel").

(b) COMPOSITION.—

(1) IN GENERAL.—The Panel shall be composed of 14 members (hereafter in this title referred to as "members"), including—

(A) two members appointed by the President;

(B) eight Governors, three of whom shall be from the same political party as the President and five of whom shall be of the opposite political party of the President, appointed by the Chairman or Vice Chairman of the National Governors' Association, with each appointing those of his respective political party, in consultation with each other and in accordance with paragraph (2); and

(C) four Members of Congress appointed as follows:

(i) The Majority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(ii) The Minority Leader of the Senate shall appoint 1 individual from among the Members of the Senate.

(iii) The Majority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(iv) The Minority Leader of the House of Representatives shall appoint 1 individual from among the Members of the House of Representatives.

(2) SPECIAL APPOINTMENT RULES.—(A) The members appointed pursuant to paragraph (1)(B) shall be appointed as follows:

(i) If the Chairperson of the National Governors' Association is from the same political party as the President, then the Chairperson shall appoint 3 persons pursuant to such paragraph and the Vice Chairperson shall appoint 5 persons pursuant to such paragraph.

(ii) If the Chairperson of the National Governors' Association is from the opposite political party as the President, then the Chairperson shall appoint 5 persons pursuant to such paragraph and the Vice Chairperson shall appoint 3 persons pursuant to such paragraph.

(B) If the National Governors' Association has appointed a panel that meets the requirements of this subsection prior to the date of enactment of this Act, then the members serving on such panel shall be deemed to be in compliance with the provisions of this subsection and shall not be required to be reappointed pursuant to this subsection.

(c) TERMS.—The terms of service of members shall be as follows:

(1) EXECUTIVE BRANCH.—Members appointed under paragraph (1)(A) shall serve at the pleasure of the President.

(2) GOVERNORS.—Members appointed under paragraph (1)(B) shall serve a two-year term, except that the initial appointments under such paragraph shall be made to ensure staggered terms with one-half of the such member's terms concluding every two years.

(3) MEMBERS OF CONGRESS.—Members appointed under paragraph (1)(C) shall serve a term of four years.

(d) INITIATION.—The Panel may begin to carry out the duties of the Panel under this title when seven members of the Panel have been appointed.

(e) DATE OF APPOINTMENT.—The initial members shall be appointed not later than 60 days after the date of enactment of this Act.

(f) RETENTION.—In order to retain an appointment to the Panel, a member must attend at least two-thirds of the scheduled meetings of the Panel in any given year.

(g) VACANCIES.—A vacancy on the Panel shall not affect the powers of the Panel, but shall be filled in the same manner as the original appointment.

(h) TRAVEL.—Each member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(i) CHAIRPERSON SELECTION.—

(1) INITIAL SELECTION.—The members appointed under subsection (b)(2) shall select a Chairperson from among such members, except that after the expiration of the term of the member selected under this paragraph to serve as Chairperson as of October 1, 1991, or upon the termination of the tenure of such Chairperson, whichever is earlier, a majority of the members of the Council shall select the Chairperson from among the members.

(2) CONTINGENT SELECTION.—If no individual described in paragraph (1) assumes the position of Chairperson of the Council within 60 days of the date of the enactment of this Act, a majority of the members shall thereafter select a Chairperson from among the members.

SEC. 1302. FUNCTIONS.

(a) FUNCTIONS.—

(1) IN GENERAL.—The Panel shall—

(A) propose the indicators to be used to measure the National Education Goals and reporting progress toward their achievement, the baselines and benchmarks against which progress may be evaluated, and the format for an annual report to the Nation;

(B) select interim and final measures and appropriate measurement tools to be developed as necessary in each goal area;

(C) report on the Federal actions to fulfill its responsibilities to education, including funding the Federal financial role, providing more flexibility and controlling mandates that limit the States' ability to fund education;

(D) issue a report to the President, the Congress, the Governors, and the Nation annually on progress toward the National Education Goals;

(E) assure, through requirements for State reports, that student performance is reported in the context of other relevant information about student, school and system performance;

(F) identify gaps in existing educational data, make recommendations for improvements in the methods and procedures for assessments that would be appropriate to assessing progress toward the National Education Goals, propose changes in national and international measurement systems as appropriate and make recommendations to the President, the Congress, and the Governors for needed improvements;

(G) appoint members to the National Education Standards and Assessments Council; and

(H) in accordance with paragraph (2), issue certification of content and student performance standards and the criteria for assessments as world-class following submission of such certification by the National Education Standards and Assessments Council.

(2) SPECIAL RULE.—In the event the Panel denies certification to all or part of a certification of the National Education Standards and Assessments Council, all or part of a certification shall be returned to such Council with detailed written explanations for the denial.

(b) PERFORMANCE OF FUNCTIONS.—In carrying out its responsibilities, the Panel shall operate on the principle of consensus.

(c) DATA COLLECTION.—The Panel shall make arrangements with any appropriate entity to generate or collect such data as may be necessary to appropriately assess progress toward the National Education Goals.

SEC. 1303. ANNUAL REPORT CARD.

(a) IN GENERAL.—The Panel shall prepare and submit to the President, the appropriate committees of Congress, and the Governor of each State a National Report Card, that—

(1) sets forth an analysis of the progress of the United States toward achieving the National Education Goals; and

(2) may, as determined necessary by the Panel based on the findings of the Panel and an analysis of the views and comments of all interested parties—

(A) identify continuing gaps in existing educational data; and

(B) make recommendations for improvement in the methods and procedures of assessing educational attainment and strengthening the national educational assessment and information system of the Department of Education or any other appropriate Federal Government entity.

(b) CONTINUATION.—Based on the timetable established in section 1302, the Panel shall continue to issue a National Report Card on an annual basis for the duration of the existence of the Panel.

(c) FORMAT.—National Report Cards shall be presented in a form that is understandable to parents and the general public.

SEC. 1304. POWERS OF THE PANEL.

(a) HEARINGS.—

(1) IN GENERAL.—The Panel shall, for the purpose of carrying out this title, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Panel considers appropriate.

(2) CONDUCT.—In carrying out this title, the Panel shall conduct public hearings in different geographic areas of the United States, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public regarding the Panel's functions described in section 1302(a).

(b) INFORMATION.—The Panel may secure directly from any department or agency of the United States information necessary to enable the Panel to carry out this title. Upon request of the Chairperson of the Panel, the head of a department or agency shall furnish such information to the Panel to the extent permitted by law.

(c) GIFTS.—The Panel may accept, use, and dispose of gifts or donations of services or property.

(d) POSTAL SERVICES.—The Panel may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE AND SUPPORTIVE SERVICES.—The Secretary of Education shall provide to the Panel, on a reimbursable basis, administrative support services as the Panel may request.

SEC. 1305. ADMINISTRATIVE PROVISIONS.

(a) MEETINGS.—The Panel shall meet on a regular basis, as necessary, at the call of the Chairperson of the Panel or a majority of its members.

(b) QUORUM.—A majority of the members shall constitute a quorum for the transaction of business.

(c) VOTING.—No individual may vote or exercise any of the powers of a member by proxy.

SEC. 1306. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Chairperson of the Panel shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The Chairperson of the Panel may appoint personnel as the Chairperson considers appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Panel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Panel shall not exceed the rate of basic pay payable for GS-15 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Panel may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Panel, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Panel to assist the Panel in its duties under this title.

SEC. 1307. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 2001 to carry out this title.

TITLE XIV—IRAN-IRAQ ARMS NON-PROLIFERATION ACT OF 1992

SEC. 1401. SHORT TITLE.

This title may be cited as the "Iran-Iraq Arms Non-Proliferation Act of 1992".

SEC. 1402. UNITED STATES POLICY.

(a) IN GENERAL.—It shall be the policy of the United States to oppose, and urgently to seek the agreement of other nations also to oppose, any transfer to Iran or Iraq of any goods or technology, including dual-use goods or technology, wherever that transfer could contribute to either country's acquiring chemical, biological, nuclear, or destabilizing numbers and types of advanced conventional weapons.

(b) SANCTIONS.—(1) In the furtherance of this policy, the President shall apply to Iran, Iraq, and those nations and persons who assist them in acquiring weapons of mass destruction all of the applicable sanctions and controls available to the United States under the Foreign Assistance Act of 1961, the Nuclear Non-Proliferation Act of 1978, the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991, and title XVII of the National Defense Authorization Act for Fiscal Year 1991, and other relevant statutes, regarding the non-proliferation of weapons of mass destruction and the means of their delivery.

(2) The President should also urgently seek the agreement of other nations to adopt and institute, at the earliest practicable date, sanctions and controls comparable to those the United States is obligated to apply under this subsection.

(c) PUBLIC IDENTIFICATION.—The Congress calls on the President to identify publicly (in the report required by section 1407) any country or person that transfers goods or technology to Iran or Iraq contrary to the policy set forth in subsection (a).

SEC. 1403. APPLICATION TO IRAN OF CERTAIN IRAQ SANCTIONS.

The sanctions against Iraq specified in paragraphs (1) through (4) of section 586G(a) of the Iraq Sanctions Act of 1990 (as contained in Public Law 101-513), including denial of export licenses for United States persons and prohibitions on United States Government sales, shall be applied to the same extent and in the same manner with respect to Iran.

SEC. 1404. SANCTIONS AGAINST CERTAIN PERSONS.

(a) PROHIBITION.—If any person transfers or retransfers goods or technology so as to contribute knowingly and materially to the efforts by Iran or Iraq (or any agency or instrumentality of either such country) to acquire destabilizing numbers and types of advanced conventional weapons, then—

(1) the sanctions described in subsection (b) shall be imposed; and

(2) in addition, the President is authorized to apply, in the discretion of the President, the sanctions described in subsection (c).

(b) MANDATORY SANCTIONS.—The sanctions to be imposed pursuant to subsection (a)(1) are as follows:

(1) PROCUREMENT SANCTION.—For a period of 2 years, the United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the sanctioned person.

(2) EXPORT SANCTION.—For a period of 2 years, the United States Government shall not issue any license for any export by or to the sanctioned person.

(c) DISCRETIONARY SANCTION.—The sanction referred to in subsection (a)(2) is that the President may prohibit, for such period as the President may determine, the importation into the United States of any articles which are the product, manufacture, or growth of the sanctioned person.

SEC. 1405. SANCTIONS AGAINST CERTAIN FOREIGN COUNTRIES.

(a) PROHIBITION.—If the government of any foreign country transfers or retransfers goods or technology so as to contribute knowingly and materially to the efforts by Iran or Iraq (or any agency or instrumentality of either such country) to acquire destabilizing numbers and types of advanced conventional weapons, then—

(1) the sanctions described in subsection (b) shall be imposed on such country; and

(2) in addition, the President may apply, in the discretion of the President, the sanctions described in subsection (c).

(b) MANDATORY SANCTIONS.—Except as provided in paragraph (2), the sanctions to be imposed pursuant to subsection (a)(1) are as follows:

(1) SUSPENSION OF UNITED STATES ASSISTANCE.—The United States Government shall suspend, for a period of 1 year, United States assistance to the sanctioned country.

(2) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director to each appropriate international financial institution to oppose, and vote against, for a period of 1 year, the extension by such institution of any loan or financial or technical assistance to the sanctioned country.

(3) SUSPENSION OF CODEVELOPMENT OR COPRODUCTION AGREEMENTS.—The United States shall suspend, for a period of 1 year, compliance with its obligations under any memorandum of understanding with the sanctioned country for the codevelopment or coproduction of any item on the United States Munitions List (established under section 38 of the Arms Export Control Act), including any obligation for implementation of the memorandum of understanding through the sale to the sanctioned country of technical data or assistance or the licensing for export to the sanctioned country of any component part.

(4) SUSPENSION OF MILITARY AND DUAL-USE TECHNICAL EXCHANGE AGREEMENTS.—The United States shall suspend, for a period of 1 year, compliance with its obligations under any technical exchange agreement involving military and dual-use technology between the United States and the sanctioned country that does not directly contribute to the security of the United States, and no military or dual-use technology may be exported from the United States to the sanctioned country pursuant to that agreement during that period.

(5) UNITED STATES MUNITIONS LIST.—No item on the United States Munitions List (established pursuant to section 38 of the Arms Export Control Act) may be exported to the sanctioned country for a period of 1 year.

(c) DISCRETIONARY SANCTIONS.—The sanctions referred to in subsection (a)(2) are as follows:

(1) DENIAL OF MOST-FAVORED-NATION STATUS.—The President is authorized to suspend the application of nondiscriminatory trade treatment (most-favored-nation status) to the products of the sanctioned country.

(2) USE OF AUTHORITIES OF INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—The

President may exercise, in accordance with the provisions of that Act, the authorities of the International Emergency Economic Powers Act with respect to the sanctioned country, except for urgent humanitarian assistance.

SEC. 1406. WAIVER.

The President may waive the requirement to impose a sanction described in section 1403, in the case of Iran, or a sanction described in section 1404(b) or 1405(b), in the case of Iraq and Iran, 15 days after the President determines and so reports to the Committees on Armed Services and Foreign Relations of the Senate and the Speaker of the House of Representatives that to impose that sanction would jeopardize the national security interests of the United States. Any such report shall provide a specific and detailed rationale for such determination.

SEC. 1407. REPORTING REQUIREMENT.

(a) ANNUAL REPORT.—Beginning one year after the date of enactment of this title, and every 12 months thereafter, the President shall submit a report to the Committees on Armed Services and Foreign Relations of the Senate and the Speaker of the House of Representatives detailing—

(1) all transfers or retransfers made by any person or foreign government during the preceding 12-month period which are subject to any sanction under this title; and

(2) the actions the President intends to undertake or has undertaken pursuant to this title with respect to each such transfer.

(b) REPORT ON INDIVIDUAL TRANSFERS.—Whenever the President determines that a person or foreign government has made a transfer which is subject to any sanction under this title, the President shall, within 30 days after such transfer, submit to the Committees on Armed Services and Foreign Relations of the Senate and the Speaker of the House of Representatives a report—

(1) identifying the person or government and providing the details of the transfer; and

(2) describing the actions the President intends to undertake or has undertaken under the provisions of this title with respect to each such transfer.

(c) FORM OF TRANSMITTAL.—Reports required by this section may be submitted in classified as well as in unclassified form.

SEC. 1408. DEFINITIONS.

For purposes of this title—

(1) the term "advanced conventional weapons" includes—

(A) such long-range precision-guided munitions, fuel air explosives, cruise missiles, low observability aircraft, other radar evading aircraft, advanced military aircraft, military satellites, electromagnetic weapons, and laser weapons as the President determines destabilize the military balance or enhance offensive capabilities in destabilizing ways;

(B) such advanced command, control, and communications systems, electronic warfare systems, or intelligence collection systems as the President determines destabilize the military balance or enhance offensive capabilities in destabilizing ways; and

(C) such other items or systems as the President may, by regulation, determine necessary for purposes of this title;

(2) the term "cruise missile" means guided missiles that use aerodynamic lift to offset gravity and propulsion to counteract drag;

(3) the term "goods or technology" means—

(A) any article, natural or manmade substance, material, supply, or manufactured product, including inspection and test equipment; and

(B) any information and know-how (whether in tangible form, such as models, prototypes, drawings, sketches, diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including computer software and technical data;

(4) the term "person" means any United States or foreign individual, partnership, corporation, or other form of association, or any of their successor entities, parents, or subsidiaries;

(5) the term "sanctioned country" means a country against which sanctions are required to be imposed pursuant to section 1405;

(6) the term "sanctioned person" means a person that makes a transfer described in section 1404(a); and

(7) the term "United States assistance" means—

(A) any assistance under the Foreign Assistance Act of 1961 (other than the provision of urgent humanitarian assistance or medicine);

(B) sales and assistance under the Arms Export Control Act;

(C) financing by the Commodity Credit Corporation for export sales of agricultural commodities; and

(D) financing under the Export-Import Bank Act.

MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEAR 1993

The text of the original bill (S. 3141) to authorize appropriations for fiscal year 1993 for military construction, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 3141

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 "Military Construction Authorization Act for Fiscal Year 1993".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE XX—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1993".

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 2105(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	$105,300,000
	Fort McClellan	$4,200,000
Arizona	Fort Huachuca	$5,300,000
Arkansas	Pine Bluff Arsenal	$26,800,000
California	Sierra Army Depot	$2,450,000
Georgia	Fort Gillem	$2,700,000
	Fort Gordon	$23,000,000
	Fort McPherson	$10,200,000
	Hunter Army Airfield	$5,400,000
Hawaii	Schofield Barracks	$23,300,000
Kansas	Fort Riley	$13,200,000
Kentucky	Fort Knox	$15,600,000
Louisiana	Fort Polk	$7,400,000
Maryland	Aberdeen Proving Ground	$3,400,000
New Jersey	Fort Monmouth	$3,550,000
	Picatinny Arsenal	$6,050,000
New Mexico	White Sands Missile Range	$6,000,000
New York	United States Military Academy, West Point	$1,600,000
Oklahoma	Fort Sill	$1,500,000
Pennsylvania	Letterkenny Army Depot	$5,400,000
Texas	Fort Hood	$33,000,000
	Red River Army Depot	$3,600,000
Utah	Tooele Army Depot	$9,200,000
Virginia	Fort Belvoir	$1,200,000
	Fort Pickett	$5,800,000
CONUS Various	Classified Location	$2,700,000
	Classified Location	$700,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Grafenwoehr	$11,600,000
Kwajelein Atoll	Kwajalein	$52,800,000
OCONUS Classified	Classified Location	$1,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(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	Installation	Purpose	Amount
Hawaii	Oahu Various	200 units	$23,000,000
Kentucky	Fort Campbell	96 units	$8,200,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(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 $8,940,000.

SEC. 2103. DEFENSE ACCESS ROADS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(3), the Secretary of the Army may make advances to the Secretary of Transportation for design and construction of defense access roads under section 210 of title 23, United States Code, in the total amount of $2,400,000.

SEC. 2104. IMPROVEMENTS TO MILITARY FAMILY HOUSING.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(6)(A), the Secretary of the Army may improve existing military

family housing in an amount not to exceed $155,860,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,221,967,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $328,550,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $65,400,000.

(3) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $2,400,000.

(4) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $3,800,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $112,300,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $196,000,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,380,517,000, of which not more than $358,241,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $133,000,000, 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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2106. INCREASE IN LIMITATION ON LEASING OF MILITARY FAMILY HOUSING WORLDWIDE BY THE DEPARTMENT OF THE ARMY.

Section 2105(a)(6)(B) the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1512) is amended by striking out "$360,783,000" and inserting in lieu thereof "$395,783,000".

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
Alaska	Adak Naval Air Station	$8,750,000
California	Camp Pendleton, Marine Corps Base	$25,500,000
	Lemoore, Naval Air Station	$680,000
	Port Hueneme, Naval Construction Battalion Center	$14,300,000
	Seal Beach, Naval Weapons Station	$2,150,000
	Twentynine Palms, Marine Corps Air-Ground Combat Center	$4,600,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Connecticut	New London, Naval Submarine Base	$12,500,000
Florida	Cecil Field, Naval Air Station	$5,850,000
Georgia	Albany, Marine Corps Logistics Base	$6,800,000
Hawaii	Barking Sands, Pacific Missile Range Facility	$4,580,000
	Honolulu, Naval Communication Area Master Station, Eastern Pacific	$1,400,000
	Pearl Harbor, Naval Supply Center	$6,700,000
	Pearl Harbor, Navy Public Works Center	$24,900,000
Maryland	Indian Head, Naval Ordnance Station	$5,600,000
Mississippi	Gulfport, Naval Construction Battalion Center	$4,650,000
North Carolina	New River, Marine Corps Air Station	$3,600,000
	Cherry Point, Marine Corps Air Station	$4,680,000
Rhode Island	Newport, Naval Education and Training Center	$540,000
South Carolina	Charleston, Naval Weapons Station	$1,110,000
Tennessee	Memphis, Naval Air Station	$14,110,000
Texas	Corpus Christi, Naval Air Station	$4,900,000
	Kingsville, Naval Air Station	$20,120,000
Virginia	Dam Neck, Fleet Combat Training Center	$19,427,000
	Fort Story, Naval Station Annex	$5,650,000
	Little Creek, Naval Amphibious Base	$13,300,000
	Norfolk, Naval Air Station	$3,450,000
	Norfolk, Naval Station	$880,000
	Norfolk, Naval Supply Center	$12,400,000
	Oceana, Naval Air Station	$3,190,000
	Quantico, Marine Corps Combat Development Center	$5,000,000
	Yorktown, Naval Weapons Station	$1,100,000
Washington	Bangor, Trident Refit Facility	$1,550,000
	Bremerton, Puget Sound Naval Shipyard	$14,800,000
	Bremerton, Naval Inactive Ship Maintenance Facility	$1,200,000
	Everett, Naval Station	$5,600,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and 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	Souda Bay, Naval Support Activity	$7,600,000
Various Locations	Host Nation Infrastructure Support	$3,000,000

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	Purpose	Amount
California	Camp Pendleton Marine Corps Base	300 units	$30,600,000
	San Diego Navy Public Works Center	300 units	$30,400,000
Connecticut.	New London, Naval Submarine Base	100 units	$11,850,000
Hawaii	Kauai, Pacific Missile Range Facility	13 units	$2,330,000
	Oahu, Barbers Point Naval Air Station	70 units	$18,500,000
	Oahu, Kanehoe, Marine Corps Air Station	300 units	$96,800,000
	Oahu, Lynch Park	42 units	$7,000,000
	Oahu, Miller Park	114 units	$18,400,000
	Oahu, Moana Lua	100 units	$11,800,000
	Oahu, Pearl City Peninsula	132 units	$30,000,000
New Jersey	Earle, Naval Weapons Station	Community Center	$1,100,000

Navy: Family Housing—Continued

State	Installation	Purpose	Amount
Washington.	Bangor/Bremerton Naval Complex	200 units	$19,500,000
West Virginia	Sugar Grove, Naval Radio Station	8 units	$930,000

(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 $14,200,000.

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 the amount of $198,340,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,542,036,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $265,567,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $10,600,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $5,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $72,942,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $491,750,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $696,177,000, of which not more than $104,470,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2205. POWER PLANT RELOCATION, NAVY PUBLIC WORKS CENTER, GUAM.

Section 2201(b) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2097) is amended—

(1) in the matter under the heading "GUAM" by striking out the item relating to the Navy Public Works Center and inserting in lieu thereof the following:

"Navy Public Works Center, $34,490,000."; and

(2) in the matter under the heading "PHILIPPINES" by striking out the item relating to the Navy Public Works Center, Subic Bay, and inserting in lieu thereof the following:

"Navy Public Works Center, Subic Bay, $570,000.".

SEC. 2206. REVISED AUTHORIZATIONS FOR CERTAIN MARINE CORPS PROJECTS.

(a) REVISED AUTHORIZATION.—Section 2201(a) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2095) is amended in the matter under the heading "NORTH CAROLINA" by striking out the items relating to Marine Corps Air Station, Cherry Point, and inserting in lieu thereof the following:

"Marine Corps Air Station, Cherry Point, $24,100,000.

(b) CONFORMING AMENDMENTS.—Section 2205(a) of such Act (102 Stat. 2099) is amended—

(1) by striking out "$2,369,875,000" and inserting in lieu thereof "$2,361,555,000"; and

(2) in paragraph (1), by striking out "$1,296,450,000" and inserting in lieu thereof "$1,288,770,000".

SEC. 2207. DEFENSE ACCESS ROADS, NAVAL STATION PASCAGOULA, MISSISSIPPI.

Using amounts appropriated pursuant to the authorization of appropriations in section 2205(a)(5) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1519), the Secretary of the Navy shall expend such amounts as the Secretary determines necessary for planning and design for defense access roads that are critical for access to Naval Station Pascagoula, Mississippi, as determined by the Secretary of the Navy.

SEC. 2208. MILITARY FAMILY HOUSING, NAVAL AIR STATION WHIDBEY ISLAND, WASHINGTON.

The Secretary of the Navy shall include in the budget request for the Navy for fiscal year 1994 a request for funds for the design of 300 family housing units at Naval Air Station Whidbey Island, Washington.

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	Gunter Air Force Base	$960,000
	Maxwell Air Force Base	$9,900,000
Alaska	Clear Air Force Station	$2,250,000
	Eielson Air Force Base	$40,950,000
	Elmendorf Air Force Base	$22,550,000
	Galena Airport	$4,850,000
	King Salmon Airport	$6,400,000
	Shemya Air Force Base	$3,350,000
Arizona	Davis-Monthan Air Force Base	$3,500,000
	Libby Air Force Base	$15,300,000
	Luke Air Force Base	$2,950,000
Arkansas	Little Rock Air Force Base	$3,860,000
California	Beale Air Force Base	$1,250,000
	Edwards Air Force Base	$24,500,000
	March Air Force Base	$2,250,000
	McClellan Air Force Base	$2,900,000
	Travis Air Force Base	$880,000
	Vandenberg Air Force Base	$26,250,000
Colorado	Peterson Air Force Base	$3,500,000
	United States Air Force Academy	$2,610,000
Delaware	Dover Air Force Base	$25,160,000
Florida	Cape Canaveral Air Force Station	$40,800,000
	Eglin Air Force Base	$1,680,000
	Homestead Air Force Base	$1,200,000
	Patrick Air Force Base	$7,700,000
Georgia	Moody Air Force Base	$4,380,000
	Robins Air Force Base	$11,500,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Illinois	Scott Air Force Base	$960,000
Kansas	McConnell Air Force Base	$960,000
Louisiana	Barksdale Air Force Base	$29,120,000
Maryland	Andrews Air Force Base	$820,000
Massachusetts	Hanscom Air Force Base	$4,200,000
Mississippi	Keesler Air Force Base	$3,900,000
Missouri	Whiteman Air Force Base	$62,270,000
Montana	Malmstrom Air Force Base	$1,100,000
Nebraska	Offutt Air Force Base	$6,190,000
Nevada	Nellis Air Force Base	$6,980,000
New Jersey	McGuire Air Force Base	$8,970,000
New Mexico	Holloman Air Force Base	$11,420,000
North Carolina	Pope Air Force Base	$22,130,000
	Seymour Johnson Air Force Base	$5,230,000
North Dakota	Grand Forks Air Force Base	$6,500,000
	Minot Air Force Base	$8,650,000
Ohio	Wright-Patterson Air Force Base	$12,170,000
Oklahoma	Tinker Air Force Base	$21,280,000
	Vance Air Force Base	$2,350,000
South Carolina	Charleston Air Force Base	$32,150,000
	Shaw Air Force Base	$2,380,000
South Dakota	Ellsworth Air Force Base	$3,880,000
Texas	Brooks Air Force Base	$9,000,000
	Dyess Air Force Base	$7,300,000
	Goodfellow Air Force Base	$3,250,000
	Kelly Air Force Base	$21,360,000
	Lackland Air Force Base	$1,000,000
	Laughlin Air Force Base	$6,000,000
	Randolph Air Force Base	$1,250,000
	Sheppard Air Force Base	$6,990,000
Utah	Hill Air Force Base	$1,500,000
Virginia	Langley Air Force Base	$7,050,000
Washington	Fairchild Air Force Base	$2,510,000
	McChord Air Force Base	$2,540,000
Wyoming	F.E. Warren Air Force Base	$1,050,000
Various and Classified Locations.	Various Locations	$3,300,000
	Various Locations	$3,900,000

(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 may 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
Ascension Island	Ascension Island	$22,000,000
Germany	Rhein-Main Air Base	$3,100,000
Greenland	Thule Air Base	$24,900,000
Guam	Andersen Air Force Base	$3,090,000
Portugal	Lajes Field	$8,450,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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	Purpose	Amount
California	Beale Air Force Base	Housing office	$306,000
	March Air Force Base	320 units	$25,351,000
Florida	Patrick Air Force Base	250 units	$22,500,000
Georgia	Moody Air Force Base	Housing maintenance facility	$290,000
	Robins Air Force Base	55 units	$3,153,000
Illinois	Scott Air Force Base	1,068 units	$60,000,000
Louisiana	Barksdale Air Force Base.	Housing maintenance and storage facility	$443,000

Air Force: Family Housing—Continued

State or Country	Installation	Purpose	Amount
New Mexico	Cannon Air Force Base	361 units	$32,951,000
	Canon Air Force Base	Housing office	$480,000
North Dakota	Minot Air Force Base	Housing maintenance and storage facility	$286,000
South Carolina.	Shaw Air Force Base	Housing office	$351,000
Utah	Hill Air Force Base	82 units	$6,353,000
Portugal	Lajes Field	Water wells	$865,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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 $7,457,000.

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)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $227,824,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,064,428,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $604,990,000, of which $6,400,000 is authorized for the construction of a visual information training facility and $290,000 is authorized for construction of a television systems training facility, both located at Keesler Air Force Base, Mississippi.

(2) For military construction projects outside the United States authorized by section 2301(b), $61,540,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $95,000,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $348,610,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $942,288,000, of which not more than $150,800,000 may be obligated or expended for leasing of military family housing units worldwide.

(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) and (2) of subsection (a); and

(2) $40,000,000 (the balance of the amount authorized for construction of family housing at Scott Air Force Base, Illinois).

SEC. 2305. CHILD DEVELOPMENT CENTER RELOCATION, BUCKLEY AIR NATIONAL GUARD BASE, COLORADO.

Section 2301(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1770) is amended in the matter under the heading "COLORADO" by striking out the item relating to Lowry Air Force Base and inserting in lieu thereof the following:

"Buckley Air National Guard Base, $4,550,000.".

SEC. 2306. AUTHORIZED FAMILY HOUSING LEASE PROJECTS.

Subject to section 2835 of title 10, United States Code, the Secretary of the Air Force may enter into contracts for the lease of family housing units in the number of units shown, and at the net present value shown, for the following installations:

(1) Bolling Air Force Base, District of Columbia, 550 units, $54,200,000.

(2) Andrews Air Force Base, Maryland, 550 units, $54,200,000.

SEC. 2307. AUTHORIZED MILITARY HOUSING RENTAL GUARANTEE PROJECTS.

Subject to section 2836 of title 10, United States Code, the Secretary of the Air Force may enter into rental guarantee agreements for military housing in the number of units shown for the following installations:

(1) Elmendorf Air Force Base, Alaska, 302 units.

(2) Homestead Air Force Base, Florida, 308 units.

(3) Patrick Air Force Base, Florida, 409 units

(4) Offutt Air Force Base, Nebraska, 400 units.

SEC. 2308. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) FISCAL YEAR 1992 PROJECTS.—(1) Section 2301 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1521) is amended—

(A) under the heading "ALASKA", by striking out the item relating to Shemya Air Force Base and inserting in lieu thereof the following:

"Shemya Air Force Base, $10,300,000.";

(B) under the heading "ARIZONA", by striking out the item relating to Luke Air Force Base and inserting in lieu thereof the following:

"Luke Air Force Base, $6,000,000.";

(C) by striking out the following:

"MONTANA

"Conrad Strategic Training Range Site, $700,000.

"Havre Strategic Training Range Site, $700,000.";

(D) under the heading "NEW YORK", by striking out the item relating to Griffiss Air Force Base and inserting in lieu thereof the following:

"Griffiss Air Force Base, $1,500,000.";

(E) under the heading "SOUTH DAKOTA", by striking out the item relating to Ellsworth Air Force Base and inserting in lieu thereof the following:

"Ellsworth Air Force Base, $2,040,000."; and

(F) under the heading "TEXAS", by striking out the item relating to Sheppard Air Force Base and inserting in lieu thereof the following:

"Sheppard Air Force Base, $16,250,000.".

(2) Section 2305(a) of such Act (105 Stat. 1525) is amended—

(A) by striking out "$2,089,303,000" and inserting in lieu thereof "$2,054,713,000"; and

(B) in paragraph (1), by striking out "$778,970,000" and inserting in lieu thereof "$744,380,000".

(b) FISCAL YEAR 1991 PROJECTS.—(1) Section 2301 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1769) is amended—

(A) under the heading "GEORGIA", by striking out the item relating to Robins Air Force Base and inserting in lieu thereof the following:

"Robins Air Force Base, $8,700,000.";

(B) under the heading "MICHIGAN", by striking out the item relating to K.I. Sawyer Air Force Base and inserting in lieu thereof the following:

"K.I. Sawyer Air Force Base, $1,400,000."; and

(C) under the heading "OKLAHOMA", by striking out the item relating to Tinker Air Force Base and inserting in lieu thereof the following:

"Tinker Air Force Base, $53,350,000.".

(2) Section 2302(a) of such Act (104 Stat. 1773) is amended by striking out the item relating to Myrtle Beach Air Force Base, South Carolina.

(3) Section 2304(a) of such Act (104 Stat. 1773) is amended—

(A) by striking out "$1,922,733,000" and inserting in lieu thereof "$1,905,075,000";

(B) in paragraph (1), by striking out "$742,255,000" and inserting in lieu thereof "$724,855,000"; and

(C) in paragraph (7)(A), by striking out "$182,965,000" and inserting in lieu thereof "$182,707,000".

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 2402(a)(1) and, in the case of the projects described in paragraphs (2), (3), and (4) of section 2402(c), other amounts appropriated pursuant to authorizations enacted after this Act for such projects, 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 Logistics Agency	Defense Reutilization and Marketing Office, March Air Force Base, California	$630,000
	Defense Reutilization and Marketing Office, Hill Air Force Base, Utah	$1,700,000
	Defense General Supply Center, Richmond, Virginia	$12,400,000
Defense Medical Facility Office	Elmendorf Air Force Base, Alaska	$160,000,000
	March Air Force Base, California	$18,000,000
	Fort Leonard Wood, Missouri	$3,000,000
	Fort Bragg, North Carolina	$250,000,000
	Millington Naval Air Station, Tennessee	$15,000,000
Defense Nuclear Agency	Eglin Air Force Base, Florida	$64,000,000
National Security Agency	Fort Meade, Maryland	$6,700,000
Strategic Defense Initiative Organization	Barking Sands, Hawaii	$2,500,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2402(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 Medical Facilities Office	Classified Location	$8,000,000
Defense Nuclear Agency	Johnston Island	$1,500,000
National Security Agency	Classified Locations	$9,590,000
Strategic Defense Initiative Organization	Kwajelein	$22,000,000

SEC. 2402. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, 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 $2,496,896,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $112,200,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $41,090,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of the National Defense Authorization Act, 1987 (Public Law 99-661; 100 Stat. 4035)), $27,000,000.

(4) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1640)), $16,000,000.

(5) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,508,000.

(6) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(7) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $61,818,000.

(8) For conforming storage facilities constructed under the authority of section 2404(a) of the Military Construction Authorization Act, 1987 (100 Stat. 4037), $3,580,000.

(9) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note), $440,700,000.

(10) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2687 note)), $1,743,600,000.

(11) For military family housing functions (including functions described in section 2833 of title 10, United States Code), $28,400,000, of which not more than $23,559,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1993 for military construction functions of the Defense Agencies that remain available for obligation on the date of enactment of this Act are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction

projects authorized in section 2401(a) for the Defense Logistics Agency.

(c) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b);

(2) $32,000,000 (the balance of the amount authorized for the construction of the Climatic Test Chamber at Eglin Air Force Base, Florida);

(3) $240,000,000 (the balance of the amount authorized for construction of the Army Medical Center at Fort Bragg, North Carolina); and

(4) $135,000,000 (the balance of the amount authorized for construction of the hospital at Elmendorf Air Force Base, Alaska).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure 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, 1992, 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 Infrastructure Program as authorized by section 2501, in the amount of $221,200,000.

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, 1992, 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 133 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, $142,627,000; and

(B) for the Army Reserve, $36,505,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $15,715,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $229,679,000; and

(B) for the Air Force Reserve, $34,353,000.

SEC. 2602. REDUCTIONS IN CERTAIN PRIOR YEAR AUTHORIZATIONS OF APPROPRIATIONS FOR AIR FORCE RESERVE MILITARY CONSTRUCTION PROJECTS.

(a) FISCAL YEAR 1989.—Section 2601(3)(B) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2114) is amended by striking out "$63,600,000" and inserting in lieu thereof "$62,440,000".

(b) FISCAL YEAR 1990.—Section 2601(3)(B) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1645) is amended by striking out "$35,600,000" and inserting in lieu thereof "$29,050,000".

(c) FISCAL YEAR 1991.—Section 2601(3)(B) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1781) is amended by striking out "$37,700,000" and inserting in lieu thereof "$33,930,000".

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER 3 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 Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1995; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996.

(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 Infrastructure program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before the later of—

(1) October 1, 1995; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1996 for military construction contracts, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EFFECTIVE DATES.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall be in effect as of October 1, 1992, or the date of enactment of a Military Construction Authorization Act for Fiscal Year 1993, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. AUTHORITY TO CARRY OUT ENERGY CONSERVATION CONSTRUCTION PROJECTS.

(a) AUTHORITY.—Section 2865 of title 10, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) The Secretary of Defense may carry out a military construction project for energy conservation not previously specifically authorized by law if funds previously authorized to be appropriated for military construction were authorized to be made available for such project. Such project shall be carried out using funds appropriated or otherwise made available for military construction projects.".

(b) TECHNICAL AMENDMENT.—Subsection (e) of such section, as so redesignated, is amended by striking out "Beginning with fiscal year 1991 and by no later than December 31, 1991, and of each year thereafter," and inserting in lieu thereof "Not later than December 31 of each year,".

SEC. 2802. CLARIFICATION OF AUTHORITY TO LEASE NON-EXCESS PROPERTY.

(a) CLARIFICATION.—Subsection (b)(4) of section 2667 of title 10, United States Code, is amended by inserting ", in the case of the lease of real property," after "shall provide".

(b) REQUIREMENTS RELATING TO LEASE OF CERTAIN EQUIPMENT.—Such section is further amended by adding at the end the following new subsection:

"(g)(1) A weapons system or other equipment of the armed forces may not be exhibited at an international trade show or similar exhibition, and may not be transported to such show or exhibition for that purpose, unless the system or equipment is leased to the manufacturer of that system or equipment for that purpose. Each such lease shall provide for the payment by the lessee of consideration in an amount that is not less than the fair market value of the lease interest (including the costs incurred by the United States for transportation), as determined by the Secretary of the military department concerned.

"(2) Under regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned may waive the application of paragraph (1) to the exhibition of a weapon system or other equipment at an international trade show or similar exhibition if the Secretary of that military department determines that the exhibition of that system or equipment at that trade show or other exhibition is in the national security interests of the United States.".

SEC. 2803. INCREASED THRESHOLD FOR MINOR CONSTRUCTION CARRIED OUT WITH OPERATION AND MAINTENANCE FUNDS.

(a) INCREASED THRESHOLD.—Subsection (c) of section 2805 of title 10, United States Code, is amended in paragraph (1) by inserting "or for any unspecified military construction project commenced in fiscal year 1993, 1994, or 1995, not more than $1,000,000" before the period at the end.

(b) REPORT RELATING TO CONSTRUCTION.—Such subsection is amended by adding at the end the following new paragraph:

"(3) Not later than January 15 of the year following each of fiscal years 1993, 1994, and 1995, the Secretary of Defense shall submit to the Congress a report on any military construction projects carried out under this subsection during the preceding fiscal year whose cost exceeded $300,000.".

SEC. 2804. MORATORIUM ON OBLIGATION OF FUNDS FOR CONSTRUCTION OR ACQUISITION OF MILITARY FAMILY HOUSING.

(a) RESTRICTION.—None of the funds appropriated or otherwise made available to a military department in fiscal year 1993 may be expended for contracts referred to in subsection (b) until the Secretary of that military department has solicited bids for the following:

(1) Contracts for the lease of military family housing units under section 2835 of title 10, United States Code, for—

(A) projects authorized under section 2207 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1519); and

(B) projects authorized under section 2307 of such Act (105 Stat. 1526).

(2) Military housing rental guarantee agreements under section 2836 of such title, for—

(A) projects authorized under section 2107 of such Act (105 Stat. 1512);

(B) projects authorized under section 2208 of such Act (105 Stat. 1520); and

(C) projects authorized under section 2308 of such Act (105 Stat. 1527).

(b) APPLICABILITY.—The limitation in subsection (a) applies to contracts for the con-

struction, acquisition, or lease of military family housing (other than contracts for the replacement of existing Government-owned housing or the renewal of an expiring lease) that are entered into on or after October 1, 1992.

SEC. 2805. AUTHORITY TO CONSTRUCT REPLACEMENT FAMILY HOUSING UNITS.

(a) AUTHORITY TO CONSTRUCT REPLACEMENT UNITS.—Section 2825 of title 10, United States Code, is amended—

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

(2) by adding after subsection (b) the following new subsection (c):

"(c)(1) The Secretary concerned may construct a replacement for a single family housing unit if—

"(A) the improvement of that housing unit has been authorized by law;

"(B) the Secretary determines that the improvement is no longer cost-effective by reason of a change in circumstances or in requirements relating to the unit; and

"(C) a period of 21 days elapses after the date on which the Secretary submits to the committees referred to in subsection (b)(1) a notice of the determination of the Secretary under subparagraph (B) and an economic analysis demonstrating that the construction under this subsection will be cost effective.

"(2) The amount that may be expended to construct a replacement unit under this subsection may not exceed the amount that is otherwise available to carry out the previously authorized improvement of the unit.".

(b) CONFORMING AMENDMENT.—Section 2822(b) of such title is amended by adding at the end the following new paragraph:

"(5) Housing units constructed under section 2825(c) of this title.".

Subtitle B—Defense Base Closure and Realignment

SEC. 2821. BASE CLOSURE ACCOUNT MANAGEMENT FLEXIBILITY.

(a) MANAGEMENT FLEXIBILITY UNDER 1988 ACT.—(1) Section 207(a)(2) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(A) by inserting "(A)" after "(2)";

(B) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(C) by amending clause (ii), as so redesignated, to read as follows:

"(ii) 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 or funds contained in the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note); and"; and

(D) by adding at the end the following new subparagraph:

"(B) The Secretary shall transmit written notice of, and justification for, each transfer under subparagraph (A)(ii) to the appropriate committees of Congress.".

(2) Section 207(a)(3)(A) of such Act is amended by striking out "204(a)" and inserting in lieu thereof "204".

(3)(A) Section 207(a)(5) of such Act is amended by striking "the authority of the Secretary to carry out a closure or realignment under this title" and inserting in lieu thereof "environmental restoration, community economic adjustment assistance, and disposal of property at bases selected for closure under this title".

(B) Section 207(a)(6) of such Act is amended by striking out "the authority of the Secretary to carry out a closure or realignment under this title," and inserting in lieu thereof "the activities referred to in paragraph (5),".

(b) MANAGEMENT FLEXIBILITY UNDER 1990 ACT.—(1) Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(A) by inserting "(A)" after "(2)";

(B) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(C) by amending clause (ii), as so redesignated, to read as follows:

"(ii) 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 or funds contained in the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note); and"; and

(D) by adding at the end the following new subparagraph:

"(B) The Secretary shall transmit written notice of, and justification for, each transfer under subparagraph (A)(ii) to the congressional defense committees.".

(2) Section 2906(b)(1) of such Act is amended by striking out "2905(a)" and inserting in lieu thereof "2905".

(3)(A) Section 2906(c)(2) of such Act is amended by striking out "after the termination of the Commission" and inserting in lieu thereof "after the termination of environmental restoration, community economic adjustment assistance, and disposal of property at bases selected for closure under this part".

(B) Section 2906(c)(3) of such Act is amended by striking out "after the termination of the Commission" and inserting in lieu thereof "after the termination of the activities referred to in paragraph (2)".

SEC. 2822. USE OF PROCEEDS OF THE TRANSFER OR DISPOSAL OF COMMISSARY STORE AND OTHER FACILITIES AND PROPERTY.

(a) BASE CLOSURES UNDER 1988 ACT.—Section 204(b)(4)(C) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended to read as follows:

"(C)(i) If any real property or facility acquired, constructed, or improved (in whole or in part) with commissary store funds or nonappropriated funds is transferred or disposed of in connection with the closure or realignment of a military installation under this title, a portion of the proceeds of the transfer or other disposal of property on that installation shall be deposited in a reserve account established in the Treasury to be administered and used by the Secretary for the purpose of acquiring, constructing, and improving—

"(I) commissary stores; and

"(II) real property and facilities for nonappropriated fund instrumentalities.

"(ii) The amount deposited under clause (i) 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.

"(iii) As used in this subparagraph:

"(I) The term 'commissary store funds' means funds received from the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code.

"(II) The term 'nonappropriated funds' means funds received from a nonappropriated fund instrumentality.

"(III) The term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

(b) BASE CLOSURES UNDER 1990 ACT.—Section 2906(d) of the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510; 10 U.S.C. 2687 note) is amended to read as follows:

"(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, 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)(4)(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) As used in this subsection:

"(A) The term 'commissary store funds' means funds received from the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code.

"(B) The term 'nonappropriated funds' means funds received from a nonappropriated fund instrumentality.

"(C) The term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

SEC. 2823. AUTHORITY TO TRANSFER FUNDS TO HOMEOWNERS ASSISTANCE PROGRAM.

Section 2832(b) of title 10, United States Code, is amended to read as follows:

"(b)(1) Subject to paragraphs (2) and (3), and notwithstanding subsection (i) of section 1013 of the Act referred to in subsection (a), the Secretary of Defense may transfer to the fund established pursuant to subsection (d) of such section 1013 any funds available for obligation from—

"(A) the Department of Defense Base Closure Account established by section 207 of

the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note); and

"(B) the Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510; 10 U.S.C. 2687 note).

"(2) Any funds transferred under this subsection shall be available for obligation and expenditure for the same purposes that funds appropriated to the fund established under subsection (d) of such section 1013 are available.

"(3) Amounts may be transferred under paragraph (1) only after the date on which the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives receive from the Secretary written notice of, and justification for, the transfer.".

SEC. 2824. DEMONSTRATION PROJECT FOR THE USE OF A NATIONAL RELOCATION CONTRACTOR TO ASSIST THE DEPARTMENT OF DEFENSE.

(a) USE OF NATIONAL RELOCATION CONTRACTOR.—Subject to the availability of appropriations therefor, the Secretary of Defense shall enter into a 1-year contract with a private relocation contractor operating on a nationwide basis in order to test the cost-effectiveness of using national relocation contractors to administer the Homeowners Assistance Program.

(b) REPORT ON CONTRACT.—Not later than 1 year after the date on which the Secretary of Defense enters into a contract under subsection (a), the Comptroller General shall submit to Congress a report containing the Comptroller General's evaluation of the effectiveness of using the national contractor for administering the program referred to in subsection (a). The report shall compare the cost and efficiency of such administration with the cost and efficiency of (1) the program carried out by the Corps of Engineers using its own employees, and (2) the use of contracts with local relocation companies at military installations being closed or realigned.

SEC. 2825. REVISION OF REQUIREMENTS RELATING TO BUDGET DATA ON BASE CLOSURES.

(a) COVERED FUNDING REQUESTS.—(1) Subsection (a) of section 2822 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1546; 10 U.S.C. 2687 note) is amended—

(A) by striking out "each military construction project" and inserting in lieu thereof "military construction relating to the closure or realignment of the installation"; and

(B) by striking out "the cost of such project" and inserting in lieu thereof "the cost of such construction".

(2) Subsection (b) of such section is amended—

(A) by striking out "of a military construction project" and inserting in lieu thereof "of military construction relating to the closure or realignment of an installation"; and

(B) by striking out "the project" and inserting in lieu thereof "the construction".

(b) INVESTIGATION BY INSPECTOR GENERAL.—Subsection (c) of such section is amended—

(1) in paragraph (1)—

(A) by striking out "each military construction project" and inserting in lieu thereof "the military construction"; and

(B) by striking out "the project" and inserting in lieu thereof "such construction"; and

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following new paragraph (2):

"(2) The Inspector General shall submit to the congressional defense committees a report describing the results of each investigation conducted under paragraph (1).".

SEC. 2826. CHANGE IN DATE OF REPORT OF COMPTROLLER GENERAL TO CONGRESS AND DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION.

Section 2903(d)(5)(B) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by striking out "May 15 of each year" and inserting in lieu thereof "April 15 of each year".

SEC. 2827. ANNUAL REPORT RELATING TO OVERSEAS MILITARY FACILITY INVESTMENT RECOVERY ACCOUNT.

Section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(e) REPORT ON SPECIAL ACCOUNT.—(1) Not later than January 15 of each year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the operations of the Department of Defense Overseas Military Facility Investment Recovery Account during the preceding fiscal year. The report shall include the following:

"(A) The amount of each deposit in the Account during that fiscal year, and the source of the amount.

"(B) The balance in the Account at the end of that fiscal year.

"(C) The amounts expended from the Account by each military department during that fiscal year.

"(D) With respect to each military installation for which money was deposited in the Account as a result of the release of real property or improvements of the installation to a host country during that fiscal year—

"(i) the total amount of the investment of the United States in the installation, expressed in terms of constant dollars of that fiscal year;

"(ii) the depreciated value (as determined by the Secretary of a military department under regulations prescribed by the Secretary of Defense) of the real property and improvements that were released; and

"(iii) the explanation of the Secretary for any difference between the amount paid to the United States for the real property and improvements and the depreciated value (as so determined) of that real property and improvements.

"(2) The Secretary of Defense shall prescribe regulations to carry out this subsection.".

Subtitle C—Land Transactions

SEC. 2831. MODIFICATION OF LAND EXCHANGE, SAN DIEGO, CALIFORNIA.

Section 837 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1529) is amended—

(1) in subsection (a) by striking out "or the San Diego Energy Recovery Project, a joint powers agency of the city and county of San Diego (hereinafter in this section referred to as 'SANDER'),";

(2) by striking out subsection (c);

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

(4) by inserting after subsection (b) the following new subsections:

"(c)(1) In lieu of the conveyance of the 120 acres of land referred to in subsection (b) as consideration for the conveyance under subsection (a), the Secretary of the Navy may permit the City—

"(A) to convey to the Secretary other real property suitable for use, as determined by the Secretary, for military family housing;

"(B) to pay the Secretary an amount sufficient to satisfy the requirement referred to in the first sentence of subsection (d); or

"(C) to make both the conveyance described in subparagraph (A) and a payment described in subparagraph (B).

"(2) The Secretary may permit the alternative conveyance under paragraph (1) only if the Secretary determines that the City will use the 120 acres of land for purposes associated with the clean water program of the City that are compatible with the mission and operations of the adjacent Naval Air Station, Miramar.

"(d) The total value of the consideration provided to the United States under subsections (b) and (c) shall be at least equal to the fair market value of the lands conveyed under subsection (a), as determined by the Secretary. The City shall pay any difference to the United States.

"(e)(1) The Secretary may use any amounts received under this section solely for the purpose of acquiring in the area of San Diego, California, a suitable site for military family housing or for the purpose of constructing or acquiring by direct purchase not more than 200 units of military family housing in that area.

"(2) Any funds received by the Secretary under this section and not so used within 30 months after receipt shall be deposited into the special account established pursuant to section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).."; and

(5) in subsection (e), as redesignated by paragraph (3), by striking out "or SANDER or by the City and SANDER".

SEC. 2832. LAND ACQUISITION AND EXCHANGE, MYRTLE BEACH AIR FORCE BASE AND POINSETT WEAPONS RANGE, SOUTH CAROLINA.

(a) LAND CONVEYANCE.—The Secretary of the Air Force may convey to the State of South Carolina all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 3,744 acres and comprising the Myrtle Beach Air Force Base, South Carolina, or any portion of that parcel, together with any improvements thereon.

(b) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the State of South Carolina shall—

(A) convey to the United States all right, title, and interest of the State of South Carolina in and to the parcels of land (together with any improvements thereon) described to in paragraph (2); and

(B) pay to the United States an amount equal to the amount, if any, by which the fair market value of the land conveyed under subsection (a) exceeds the fair market value of the land conveyed under subparagraph (A).

(2) The parcels of land referred to in paragraph (1) are the following:

(A) The Poinsett Weapons Range, a parcel consisting of approximately 8,358 acres that is located in Sumter County, South Carolina, and is currently leased by the Air Force from the State of South Carolina.

(B) Other parcels contiguous to the Poinsett Weapons Range that—

(i) are owned by the State of South Carolina, including parcels acquired by the State of South Carolina for the purposes of satisfying the requirements of this subsection; and

(ii) the Secretary determines are necessary for the Air Force to improve or enlarge the

configuration of the Poinsett Weapons Range to suit the needs of the Air Force as a bombing range.

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the parcels of real property to be conveyed pursuant to subsections (a) and (b)(1)(A). Such determinations shall be final.

(d) USE OF FUNDS.—Any funds paid to the Secretary under subsection (b)(1)(B) shall be deposited in the Department of Defense Base Closure Account 1990 established under section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2687 note)) and shall be available for use in accordance with subsection (b) of such section 2906.

(e) RESERVATION FOR HARVESTING FOREST PRODUCTS.—The Secretary may accept the conveyance of the parcel of real property referred to in subsection (b)(1)(A) subject to a reservation permitting the harvesting of forest products on the parcel by the South Carolina State Forestry Commission. A reservation granted under this subsection shall be subject to such conditions as the Secretary may prescribe.

(f) DESCRIPTIONS OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed pursuant to subsections (a) and (b)(1)(A) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the State of South Carolina.

(g) REVERSIONARY INTEREST.—The major portion of the land to be conveyed by the State of South Carolina under subsection (b)(2) was originally conveyed to the South Carolina State Forestry Commission by the United States under the Bankhead-Jones Farm Tenant Act (50 Stat. 522; 7 U.S.C. 1000 et seq.), subject to reservation of mineral rights and subject also to a reversion of title if the State ceased to use such properties for public purposes. The conveyance of such land to the United States under subsection (b)(2) shall be deemed to be in compliance with the public purpose covenants imposed upon conveyance to the South Carolina State Forestry Commission.

(h) AUTHORITY TO ACQUIRE ADDITIONAL LAND.—Subject to section 2662(a) of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary may acquire such additional parcels of land in the vicinity of Poinsett Weapons Range, South Carolina, as the Secretary determines are necessary to enhance the usefulness of the Poinsett Weapons Range as a bombing range.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2833. MODIFICATION OF LAND EXCHANGE, BURLINGTON, VERMONT.

Section 2387 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1800) is amended—

(1) in subsection (b), by striking out "the Burlington, Vermont, area" and inserting in lieu thereof "the State of Vermont";

(2) in subsection (c)(1)(A), by striking out "$800,000" and inserting in lieu thereof "$600,000, with such payment to be made (before the date of the conveyance authorized by subsection (a)) in a lump sum, in yearly installments, or under such other terms and conditions as the Secretary determines to be in the interest of the United States";

(3) in subsection (c)(2), by striking out "January 1, 1993," and inserting in lieu thereof "June 1, 1995,"; and

(4) by adding at the end of subsection (c) the following new paragraph:

"(3) The Secretary may permit the City of Burlington, Vermont, to make alterations or improvements to the property referred to in subsection (a) before the Secretary conveys the property to the City. The making of such alterations and improvements pursuant to this paragraph shall be subject to terms and conditions that the Secretary determines to be appropriate and shall be subject to the prior approval of the Secretary.".

SEC. 2834. LEASE OF PROPERTY, NAVAL SUPPLY CENTER, OAKLAND, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the Union Pacific Railroad Company (in this section referred to as the "Company") not more than 15 acres of real property, together with improvements thereon, located at the Naval Supply Center, Oakland, California.

(b) TERM OF LEASE; RESTRICTIONS ON USE.—The lease (1) shall be for an initial period of not more than 25 years, (2) shall contain an option for the Company to extend the lease for an additional period of not more than 25 years, and (3) shall contain the restriction that the Company use the leased property only for freight transportation purposes.

(c) CONSIDERATION.—(1) As consideration for the lease of the real property under subsection (a), the Company—

(A) shall pay to the Navy the long-term fair market rental value of the leased property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the lease include a provision for the Company—

(A) to pay the Navy an amount (as determined by the Secretary) for the costs of replacing at the Naval Supply Center, Oakland, California, the facilities vacated by the Navy on the leased property or to construct the replacement facilities for the Navy; and

(B) to pay the Navy an amount (as so determined) for the costs of relocating Navy operations from the vacated facilities to the replacement facilities.

(d) USE OF FUNDS.—(1) Section 2667(d) of title 10, United States Code, shall apply to amounts paid under subsection (c)(1)(A) of this section.

(2) The Secretary may use amounts received under subsection (c)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy on the leased property and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(e) AUTHORITY TO DEMOLISH.—The Secretary may authorize the Company to demolish existing facilities on the leased property and, consistent with the restriction required by subsection (b)(3), construct new facilities on the property for the use of the Company.

(f) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with the lease authorized under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. AUTHORITY TO LEASE PROPERTY AT NAVAL SUPPLY CENTER, OAKLAND, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the City of Oakland, California, or the Port of Oakland, California (in this section referred to as the "City" and the "Port", respectively), not more than 195 acres of real property, together with improvements thereon, located at the Naval Supply Center, Oakland, California.

(b) TERMS OF LEASE; RESTRICTION ON USE.—The lease (1) shall be for an initial period of not more than 25 years, (2) shall contain an option to extend the lease for an additional period of not more than 25 years, and (3) shall contain the restriction that the City or the Port (as the case may be) use the leased property in a manner consistent with Navy operations conducted at the Naval Supply Center.

(c) CONSIDERATION.—(1) As consideration for the lease of the real property under subsection (a), the City or the Port (as the case may be)—

(A) shall pay to the Navy the long-term fair market rental value of the leased property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the lease include a provision for the City or the Port (as the case may be)—

(A) to pay the Navy an amount (as determined by the Secretary) for the costs of replacing at the Naval Supply Center, Oakland, California, the facilities vacated by the Navy on the leased property or to construct the replacement facilities for the Navy; and

(B) to pay the Navy an amount (as so determined) for the costs of relocating Navy operations from the vacated facilities to the replacement facilities.

(d) LIMITATION ON ENTRY INTO LEASE.—The Secretary may not enter into the lease authorized by subsection (a) until 21 days after the date on which the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report containing an explanation of the terms of the proposed lease and a description of the consideration that the Secretary expects to receive under the lease.

(e) USE OF FUNDS.—(1) Section 2667(d) of title 10, United States Code, shall apply to amounts paid under subsection (c)(1)(A) of this section.

(2) The Secretary may use amounts received under subsection (c)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy on the leased property and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(f) AUTHORITY TO DEMOLISH.—The Secretary may authorize the City or the Port (as the case may be) to demolish existing facilities on the leased property and, consistent with the restriction required by subsection (b)(3), construct new facilities on the property for the use of the City or the Port.

(g) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with lease authorized by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(h) REPEAL OF SUPERSEDED AUTHORITY.—Section 2338 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1225) is repealed.

SEC. 2836. GRANT OF EASEMENT AT NAVAL AIR STATION MIRAMAR, SAN DIEGO, CALIFORNIA.

(a) AUTHORITY TO GRANT EASEMENT.—Subject to subsection (b), the Secretary of the Navy may grant to San Diego Gas and Electric Company (in this section referred to as "SDG&E") an easement on a parcel of real property consisting of approximately 120

acres that is located in the northeast portion of Naval Air Station Miramar, California (in this section referred to as the "Air Station"). The purpose of the easement is to enable SDG&E to construct, operate, and maintain an electric transmission substation and associated electric transmission lines.

(b) CONSIDERATION.—(1) In consideration for the grant of an easement to SDG&E under subsection (a), SDG&E shall pay to the United States an amount that is not less than the fair market value of that easement, as determined by the Secretary.

(2) The Secretary may accept from SDG&E, in lieu of payment of up to 50 percent of the agreed consideration, the following:

(A) The establishment of an alternative source of 12 kilovolts of electric power for the Air Station.

(B) Such improvements to the electrical distribution system of the Air Station as the Secretary designates for the purposes of this paragraph.

(c) USE OF PROCEEDS.—(1) The amounts of consideration paid under subsection (b) shall be deposited in the special account established for the Department of the Navy under section 2667(d)(1)(A) of title 10, United States Code.

(2) To the extent provided in appropriations Acts, of the sums in such account—

(A) there shall be available for facility maintenance and repair and for environmental restoration by the Department of the Navy the amount equal to 50 percent of the total agreed consideration for the grant of the easement under subsection (a); and

(B) there shall be available for facility maintenance and repair or environmental restoration of the Air Station, the amount equal to the excess (if any) of 50 percent of such total consideration over the amount equal to the sum of—

(i) the total cost incurred by SDG&E for the establishment of the alternative power source pursuant to subsection (b)(2)(A); and

(ii) the total cost of the improvements made by SDG&E pursuant to subsection (b)(2)(B).

(d) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property subject to the easement granted under this section shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by SDG&E.

(e) ADDITIONAL TERMS.—The Secretary may require any additional terms and conditions in connection with the grant of an easement under this section that the Secretary considers appropriate to protect the interests of the United States.

SEC. 2837. LAND CONVEYANCE, NAVAL RESERVE CENTER, SANTA BARBARA, CALIFORNIA.

(a) CONVEYANCE.—The Secretary of the Navy may convey to the City of Santa Barbara, California (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property consisting of approximately one acre, including improvements thereon, the location of the Santa Barbara Naval Reserve Center.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to the lesser of—

(1) $2,400,000; or

(2) the cost incurred by the Secretary in constructing a naval reserve center to replace the naval reserve center conveyed under subsection (a).

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) That the City enter into an agreement with the Secretary of Transportation for the City—

(A) to permit, at no cost to the Federal Government, the Coast Guard to remain in the space currently occupied by the Coast Guard in the facility referred to in subsection (a); or

(B) to provide the Coast Guard, at no cost to the Federal Government, with space in a facility acceptable to the Secretary of Transportation that is sufficient to replace the space referred to in subparagraph (A) from which the Coast Guard is displaced by the City.

(2) That the City enter into an agreement with the Administrator of the National Oceanic and Atmospheric Administration for the City—

(A) to permit, at no cost to the Federal Government, the National Oceanic and Atmospheric Administration (in this section referred to as "NOAA") to remain until May 1, 1993 (or a later date agreed to by the City and the Administrator of the National Oceanic and Atmospheric Administration), in the space currently occupied by NOAA in the facility referred to in subsection (a); or

(B) to provide NOAA until such date, at no cost to the Federal Government, with space in a facility acceptable to the Administrator of the National Oceanic and Atmospheric Administration that is sufficient to replace the space referred to in subparagraph (A) from which NOAA is displaced by the City.

(3) That the City enter into an agreement with the Secretary of the Navy for the City to permit the Navy to use, at no cost to the Federal Government, the naval reserve center referred to in subsection (a) until the replacement facility to be constructed in accordance with subsection (d) is suitable for occupancy by the Navy, as determined by the Secretary.

(d) REPLACEMENT CENTER.—The Secretary of the Navy shall use the amount paid by the City under subsection (b) to construct a naval reserve center to replace the naval reserve center conveyed pursuant to subsection (a). Such replacement center shall be constructed at the Naval Construction Battalion Center, Port Hueneme, California, or at another location determined by the Secretary to be suitable for such a center.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of such survey shall be borne by the City.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyance and agreements under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2838. CONVEYANCE OF WASTE WATER TREATMENT PLANT, FORT RITCHIE, MARYLAND.

(a) IN GENERAL.—The Secretary of the Army may convey to the Washington County, Maryland, Sanitary District (in this section referred to as the "Sanitary District") all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 4.5 acres, including a waste water treatment facility and other improvements located thereon, located at Fort Ritchie, Maryland.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a) the Sanitary District shall provide the Army with disposal services, waste water treatment services, and other related services at the facility. The value of the services provided the Army shall be equal to the fair market value of the property conveyed pursuant to subsection (a), as determined jointly by the Secretary and the Sanitary District.

(c) CONDITIONS.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) That the Sanitary District reserve 70 percent of the operating capacity of the waste water treatment facility referred to in subsection (a) for use by the Army in the event that such use is necessitated by a realignment of, or change in the operations of, the Army at Fort Ritchie, Maryland.

(2) That the Sanitary District ensure the compliance of the waste water treatment facility with applicable environmental laws, including the construction of any improvement and the satisfaction or any permit or license requirements that may be necessary to ensure such compliance.

(3) That the cost of the construction of the improvements referred to in paragraph (2) be borne by the Sanitary District and the Army according to the pro rata share of the operating capacity of the waste water treatment facility reserved to the Army and the Sanitary District, respectively.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the Sanitary District.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. ACQUISITION OF INTERESTS IN LAND, NAVAL RADIO STATION, JIM CREEK, WASHINGTON.

(a) AUTHORITY TO ACQUIRE.—The Secretary of the Navy may acquire all right, title, and interest (including timber rights) of any party in and to a parcel of land consisting of approximately 225 acres, or any portion of the parcel, located in Snohomish County, Washington, and comprising a portion of Naval Radio Station, Jim Creek, Washington.

(b) CONSIDERATION.—(1) As consideration for an interest acquired by the Secretary pursuant to the authority in subsection (a), the Secretary—

(A) shall pay the person conveying that interest, out of funds available to the Secretary for the acquisition of interests in real property (including funds available for the Legacy Resource Management Program), the amount determined under paragraph (2);

(B) shall, with the consent of that person, convey to such person all right, title, and interest of the United States in and to a quantity of merchantable timber at the Naval Radio Station, Jim Creek, determined under paragraph (2); or

(C) shall, with the consent of such person, make such a payment and such a conveyance to that person.

(2) The total of the amount paid a person pursuant to paragraph (1)(A), if any, and the fair market value of the quantity (to the extent of the interest) of merchantable timber conveyed to that person pursuant to paragraph (1)(B), if any, shall be equal to the fair market value of the property interest acquired from that person under subsection (a).

(c) OPTION TO PURCHASE.—The Secretary may purchase an option to purchase a property interest authorized to be acquired under

subsection (a). The Secretary may use funds referred to in subsection (b)(1)(A) for the purchase of such an option.

(d) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the property interests acquired under subsection (a) and the merchantable timber, if any, conveyed under subsection (b). Such determinations shall be final.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of each parcel of real property an interest in which is acquired under subsection (a) or conveyed under subsection (b) shall be determined by a survey that is satisfactory to the Secretary and is conducted at no cost to the United States (except that the Secretary shall bear such cost in the case of a gift to the United States).

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the acquisitions authorized under subsection (a) and the conveyances, if any, authorized under subsection (b) that the Secretary determines necessary to protect the interests of the United States.

SEC. 2840. LAND CONVEYANCE, WILLIAMS AIR FORCE BASE, ARIZONA.

(a) IN GENERAL.—(1) The United States may acquire by condemnation or otherwise—

(A) all right, title, and interest of the State of Arizona (including any mineral rights) in and to the trust lands of the State of Arizona described in paragraph (2); and

(B) any trust mineral estate of the State of Arizona located beneath the surface estates of the United States in the lands described in paragraph (3).

(2) The trust lands referred to in paragraph (1)(A) are as follows:

(A) A parcel or parcels consisting of approximately 81,121 acres located in the Goldwater Aerial Gunnery Range, Yuma County and Maricopa County, Arizona, and used by the Air Force for activities relating to aerial gunnery and bombing practice.

(B) A parcel or parcels consisting of approximately 7,563 acres located in the Yuma Test Station, Yuma County, Arizona, and used by the Army for activities relating to field artillery testing.

(C) A parcel or parcels consisting of approximately 1,537 acres located in the Fort Huachuca East Range, Cochise County, Arizona, and used by the Army for activities relating to field training exercises.

(D) A parcel or parcels consisting of approximately 133 acres located in Davis-Monthan Air Force Base, Tucson, Arizona.

(E) A parcel consisting of approximately five acres located in section 14, T4N, R3E of the State of Arizona, Phoenix, Arizona, and used as part of the Arizona National Memorial Cemetery.

(3) The lands referred to in paragraph (1)(B) are as follows:

(A) A parcel or parcels consisting of approximately 50,355 acres located in the Goldwater Aerial Gunnery Range, Arizona.

(B) A parcel or parcels consisting of approximately 12,781 acres located in the Yuma Test Station, Arizona.

(C) A parcel or parcels consisting of approximately 12,943 acres located in the Fort Huachuca East Range, Arizona.

(b) CONSIDERATION.—As consideration for the acquisition by the United States of Arizona trust lands under paragraph (1)(A) of subsection (a) and any mineral rights under paragraph (1)(B) of that subsection, the Secretary of the Air Force shall convey to the State of Arizona all right, title, and interest of the United States in and to a parcel of real property located at Williams Air Force Base, Arizona, together with any improvements thereon, that is approximately equal in fair market value to the fair market value of the property and mineral rights acquired under that subsection.

(c) CONDITIONS.—The Secretary of the Air Force may make the conveyance described in subsection (b) only if—

(1) the fair market value of the real property and mineral rights acquired by the United States under subsection (a) is at least equal to the fair market value of the property conveyed by the Secretary of the Air Force under subsection (b);

(2) the conveyance of the Secretary of the Air Force to the State of Arizona under subsection (b) is accepted as full consideration for the conveyance of property and mineral rights to the United States under subsection (a) and terminates all right, title, and interest of all parties other than the United States in and to the property and mineral rights conveyed to the United States under subsection (a); and

(3) the Secretary of the Air Force has complied with all environmental protection, remediation, and restoration laws that are applicable to the disposal of the real property at Williams Air Force Base, Arizona, that is conveyed to the State of Arizona under subsection (b).

(d) RESTRICTION ON USE OF CERTAIN PROPERTY.—The Secretary of Veterans Affairs shall use as a cemetery any property referred to in paragraph (2)(E) of subsection (a) that is acquired by the United States under that subsection. Such use shall be subject to the provisions of chapter 24 of title 38, United States Code.

(e) LIMITATION ON CONVEYANCE AUTHORITY.—The conveyance of real property described in subsection (b) may not be made until adequate prior opportunity has been provided for the disposition of such property as provided in section 2905(b) 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), except the requirement for disposition by public advertising.

(f) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary of the Air Force shall determine the fair market value of the parcels of real property to be acquired pursuant to subsection (a)(1)(A), the mineral rights to be acquired pursuant to subsection (a)(1)(B), and the parcel of real property to be conveyed pursuant to subsection (b). Such determinations shall be final.

(g) DESCRIPTIONS OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be acquired pursuant to subsection (a)(1)(A), the parcels of real property referred to in subsection (a)(1)(B), and the parcels of real property conveyed pursuant to subsection (b) shall be determined by surveys that are satisfactory to the Secretary of the Air Force and the State of Arizona. The cost of such surveys shall be borne by the State of Arizona.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require any additional terms and conditions in connection with the conveyance and acquisitions under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2841. REAL PROPERTY CONVEYANCE, NAVAL STATION PUGET SOUND, EVERETT, WASHINGTON.

(a) IN GENERAL.—(1) The Secretary of the Navy may convey to any person all right, title, and interest of the United States in and to the parcels of land described in paragraph (2).

(2) The parcels of land referred to in paragraph (1) are the following parcels of land located in the State of Washington:

(A) A parcel of land consisting of approximately 68 acres and comprising the naval family housing area at Paine Field, Snohomish County, Washington, together with improvements thereon.

(B) A parcel of land consisting of approximately 11 acres and comprising a portion of the naval family housing area at Pier 91, Seattle, Washington, together with improvements thereon.

(C) A parcel of land consisting of approximately 1 acre and comprising a portion of the naval family housing area at Pier 91, Seattle, Washington, that is not contiguous to the parcel referred to in subparagraph (B), together with improvements thereon.

(b) CONSIDERATION.—(1) In consideration for the conveyance of a parcel of land authorized in subsection (a), the person accepting the conveyance shall—

(A) pay the Secretary an amount equal to the fair market value of the parcel and any improvements located thereon; or

(B) convey to the United States all right, title, and interest of the person in and to a parcel of land, together with any improvements thereon, located in the area of the Naval Station Puget Sound, Everett, Washington, that the Secretary determines to be suitable for family housing for Naval Station Puget Sound and, if the fair market value of the parcel conveyed by the United States exceeds the fair market value of the parcel conveyed to the United States, pay to the Secretary the amount equal to such excess.

(2) The Secretary shall determine the fair market value of the parcels of land conveyed pursuant to subsection (a)(1) and the parcels of land, if any, conveyed pursuant to paragraph (1)(B).

(c) NOTICE TO COMMITTEES.—The Secretary may not enter into a conveyance or sale of real property, as the case may be, under this section until the Secretary has notified the congressional defense committees of the details of the proposed conveyance or sale, as the case may be, and a period of 21 days has elapsed following the day on which the committees receive the notification.

(d) USE OF FUNDS.—(1) To the extent provided in appropriations Acts, the Secretary shall use any amounts paid to the Secretary under subsection (b)(1) for the following purposes:

(A) Acquiring in the vicinity of Naval Station Puget Sound land that is suitable (as determined by the Secretary) for family housing for Naval Station Puget Sound.

(B) Acquiring or constructing not more than 350 units of family housing for Naval Station Puget Sound.

(2) If amounts referred to in paragraph (1) remain unexpended after the acquisition or construction of the family housing referred to in that paragraph, the Secretary shall deposit such unexpended amounts in the account established under section 204(h)(2) of the Federal Property and Administrative Services Act (40 U.S.C. 485(h)(2)).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal descriptions of the parcels of land conveyed pursuant to this section shall be determined by surveys satisfactory to the Secretary.

(f) 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. 2842. CONVEYANCE OF HASTINGS RADAR BOMB SCORING SITE, NEBRASKA.

(a) CONVEYANCE.—The Secretary of the Air Force may convey to Central Community College, Hastings, Nebraska (in this section referred to as the "College"), all right, title, and interest of the United States in and to three parcels of property located in Hastings, Nebraska, which have served as a support complex for the Hastings Radar Bomb Scoring Site.

(b) CONSIDERATION.—In consideration for the conveyance under subsection (a), the College shall pay to the United States an amount equal to the fair market value of the land conveyed under subsection (a), as determined by the Secretary.

(c) USE OF PROCEEDS.—The Secretary shall deposit the proceeds of the sale of property authorized by this section in the special account established pursuant to section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the college.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2843. LAND CONVEYANCE, ABBEVILLE, ALABAMA.

(a) IN GENERAL.—The Secretary of the Army may convey, without consideration, to the City of Abbeville, Alabama, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 4 acres, together with improvements thereon, the site of a proposed Army Reserve Center, Abbeville, Alabama.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the City of Abbeville, Alabama.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2844. TERMINATION OF LEASE AND SALE OF FACILITIES, NAVAL RESERVE CENTER, ATLANTA, GEORGIA.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Navy may—

(1) negotiate the termination of the remaining lease of the Navy of 2.27 acres of land located at the Georgia Institute of Technology, Atlanta, Georgia (in this section referred to as the "Institute"); and

(2) sell to the Institute the Naval Reserve Center facilities located on such land.

(b) CONSIDERATION.—As consideration for the termination of the lease interest referred to in subsection (a)(1) and the sale of the facilities referred to in subsection (a)(2), the Institute shall pay the Secretary an amount equal to the aggregate of the fair market value of the remaining lease referred to in such subsection (a)(1) and the facilities referred to in such subsection (a)(2).

(c) USE OF FUNDS.—(1)(A) To the extent provided in appropriations Acts and subject to subparagraph (B), the Secretary shall use the amount paid by the Institute under subsection (b) to expand the Marine Corps Reserve Center to be constructed at Dobbins Air Force Base, Georgia, in a manner which permits the use of a portion of that Center as replacement facilities for the naval reserve facilities referred to in subsection (a)(1).

(B) The expanded portion of the Marine Corps Reserve Center described under subparagraph (A) shall be under the jurisdiction of the Marine Corps Reserve.

(2) If any portion of the amount referred to in paragraph (1) remains unexpended after the construction of the naval reserve facilities referred to in that paragraph, the Secretary shall deposit that portion in the account established under section 204(h) of the Federal Property and Administrative Services Act (40 U.S.C. 485(h)).

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with any section that the Secretary considers appropriate to protect the interests of the United States.

SEC. 2845. LAND CONVEYANCE, FORT CHAFFEE, ARKANSAS.

(a) CONVEYANCE.—The Secretary of the Army shall convey to the City of Fort Smith, Arkansas (in this section referred to as the "City"), all right, title, and interest (other than any oil, gas, or mineral interest) of the United States in and to a parcel of real property consisting of approximately 400 acres, together with improvements thereon, located at Fort Chaffee, Arkansas.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the city—

(1) shall provide the Army with such services at Fort Chaffee as the Secretary and the city shall jointly determine, the fair market value of which services shall be equal to the fair market value of the property conveyed pursuant to subsection (a); or

(2) shall—

(A) provide the Army with such services at Fort Chaffee as the Secretary and the city shall jointly determine; and

(B) in the event that the fair market value of the property conveyed pursuant to subsection (a) exceeds the fair market value of the services provided under subparagraph (A), pay to the Secretary the amount equal to such excess.

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the parcel of real property to be conveyed under subsection (a) and the value of the services, if any, to be provided under paragraph (1) or (2) of subsection (b). Such determinations shall be final.

(d) USE OF PROCEEDS.—The Secretary shall deposit the amount of the consideration, if any, paid under subsection (b)(2)(B) in the account established under section 204(h) of the Federal Property and Administrative Services Act (40 U.S.C. 485(h)).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of land conveyed pursuant to this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under subsection (a) that the Secretary considers appropriate to protect the interests of the United States.

Subtitle D—Transfer of Jurisdiction of Rocky Mountain Arsenal

SEC. 2851. DEFINITIONS.

In this subtitle:

(1) The term "Arsenal" means the Rocky Mountain Arsenal in the State of Colorado.

(2) The term "hazardous substance" has the meaning given such term in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14)).

(3) The term "refuge" means the Rocky Mountain Arsenal National Wildlife Refuge established pursuant to this subtitle.

SEC. 2852. TRANSFER OF JURISDICTION OVER ROCKY MOUNTAIN ARSENAL.

(a) MANAGEMENT PENDING TRANSFER.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Army and the Secretary of the Interior shall enter into a memorandum of understanding under which—

(1) the Secretary of the Army shall transfer to the Secretary of the Interior, without reimbursement, all responsibility to manage for wildlife and public use purposes the real property comprising the Rocky Mountain Arsenal in the State of Colorado, except the property and facilities described in subsection (c) or designated for disposal under section 2855; and

(2) the Secretary of the Interior shall establish and manage the real property described in paragraph (1) as a unit of the National Wildlife Refuge System.

(b) TRANSFER UPON COMPLETION OF REMEDIATION MEASURES.—

(1) IN GENERAL.—Upon the certification of the Administrator of the Environmental Protection Agency that the cleanup and remediation measures required at the Arsenal under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) have been completed (except for operation and maintenance associated with the measures), the Secretary of the Army shall transfer to the Secretary of the Interior jurisdiction over the real property comprising the Arsenal, except the property and facilities described in subsection (c) or designated for disposal under section 2855.

(2) COST.—The transfer shall be made without cost to the Secretary of the Interior.

(3) IMPROVEMENTS.—The transfer shall include any improvement on the property made by the Secretary of the Army if the Secretary of the Interior requests in writing that the improvement be transferred for refuge management purposes.

(4) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property subject to transfer under this subsection shall be determined by a survey that is satisfactory to the Secretary of the Army and the Secretary of the Interior. The Secretary of the Army shall bear any costs related to the survey.

(c) PROPERTY AND FACILITIES EXCLUDED FROM MEMORANDUM AND TRANSFER.—

(1) PROPERTY REQUIRED TO BE RETAINED BY THE SECRETARY OF THE ARMY.—

(A) IN GENERAL.—The Secretary of the Army shall retain jurisdiction, authority, and control over all real property at the Arsenal used for water treatment, the disposition of hazardous substances, or other purposes related to cleanup and remediation activities at the Arsenal.

(B) CONSULTATION WITH SECRETARY OF THE INTERIOR.—The Secretary of the Army shall—

(i) consult with the Secretary of the Interior regarding the identification and management of all real property retained under this paragraph; and

(ii) ensure that activities carried out by the Department of the Army on that property are, to the extent practicable, compatible with the wildlife and public use purposes

of the real property at the Arsenal managed by the Secretary of the Interior.

(2) DISPOSITION FOR COMMERCIAL, HIGHWAY, OR OTHER PUBLIC PURPOSES.—The Secretary of the Army shall dispose of real property designated in subsection (a) of section 2855 in the manner provided for in such section.

(3) CONTINUATION OF LEASE OF PUBLIC FACILITIES.—

(A) IN GENERAL.—Nothing in this subtitle shall affect the validity or continued operation of leases of the Department of the Army in existence on the date of enactment of this subtitle that involve the real property at the Arsenal described in subparagraph (B).

(B) PROPERTY.—The property referred to in subparagraph (A) is—

(i) a parcel consisting of approximately 12.08 acres containing the South Adams County Water Treatment Plant and described in Department of the Army lease No. DACA 45-1-87-6121; and

(ii) a parcel consisting of approximately 63.04 acres containing a United States Postal Service facility and described in Department of the Army lease No. DACA 45-4-71-6185.

SEC. 2853. CONTINUATION OF JURISDICTION AND LIABILITY OF THE SECRETARY OF THE ARMY FOR ENVIRONMENTAL REMEDIATION.

(a) JURISDICTION OVER CLEANUP AND REMEDIATION ACTIVITIES.—

(1) IN GENERAL.—Notwithstanding the memorandum of understanding required under section 2852(a), the Secretary of the Army shall retain jurisdiction, authority, and control over the management of the real property at the Arsenal that is subject to the memorandum for purposes of conducting cleanup and remediation activities relating to environmental remediation of that property under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws.

(2) MANAGEMENT OF REFUGE.—The management by the Secretary of the Interior of the refuge established pursuant to section 2854 shall be subject to any cleanup and remediation activities relating to the environmental remediation of the property carried out by the Secretary of the Army under the laws referred to in paragraph (1).

(b) RESPONSIBILITY TO CONDUCT CLEANUP AND REMEDIATION ACTIVITIES.—Nothing in this subtitle shall relieve, and no action may be taken under this subtitle to relieve, the Secretary of the Army or any non-Federal party from any obligation or other liability to carry out or provide for the environmental remediation of the Arsenal under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws. Nothing in this subtitle is intended to restrict or define the level of cleanup on the Arsenal to be carried out under applicable laws.

(c) ADMINISTRATION OF UNITED STATES LIABILITY.—

(1) IN GENERAL.—All liability of the United States under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other environmental laws for existing conditions, both known and unknown, at the Arsenal as of the date of enactment of this subtitle shall be the sole responsibility of those Federal agencies that had operations on the Arsenal resulting in the introduction of hazardous substances before the date of enactment of this Act.

(2) AFTER FINAL TRANSFER.—After final transfer under section 2852(b), the Secretary of the Army shall retain environmental liability as set forth in this section and shall be accorded all easements and access as may be reasonably required to carry out obligations arising out of the liability.

(d) CONSULTATION.—In carrying out environmental remediation activities with respect to the Arsenal, the Secretary of the Army shall consult with the Secretary of the Interior to ensure that the remediation is carried out in a manner consistent with the purposes for which the refuge is established under section 2854(c).

SEC. 2854. ESTABLISHMENT OF THE ROCKY MOUNTAIN ARSENAL NATIONAL WILDLIFE REFUGE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Interior shall establish a national wildlife refuge, to be known as the Rocky Mountain Arsenal National Wildlife Refuge, that consists of the real property required to be transferred under section 2852(b).

(2) NOTICE.—The Secretary of the Interior shall publish a notice of the establishment of the refuge in the Federal Register.

(b) ADMINISTRATION.—

(1) IN GENERAL.—The Secretary of the Interior shall manage the refuge in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.) and other applicable laws.

(2) CONSULTATION.—In developing plans for the management of fish and wildlife at, and public use of, the refuge, the Secretary of the Interior shall—

(A) consult with the head of the Colorado Department of Natural Resources and the heads of units of local government adjacent to the refuge; and

(B) provide an opportunity for public comment on the plans.

(c) PURPOSES OF THE REFUGE.—The refuge shall be established for the purposes of—

(1) conserving and enhancing populations of fish, wildlife, and plants within the refuge, including populations of waterfowl, raptors, passerines, marsh and water birds, and species presently or in the future listed as threatened or endangered;

(2) providing maximum fish and wildlife oriented public uses at levels compatible with the conservation and enhancement of wildlife and wildlife habitat;

(3) providing opportunities for compatible scientific research;

(4) providing opportunities for compatible environmental and land use education;

(5) conserving and enhancing the land and water of the refuge in a manner that will conserve and enhance the natural diversity of fish, wildlife, plants, and their habitats;

(6) protecting and enhancing the quality of aquatic habitat within the refuge; and

(7) fulfilling international treaty obligations of the United States with respect to fish and wildlife and their habitats.

(d) LIMITATIONS.—

(1) CLEANUP AND REMEDIATION ACTIVITIES.—

(A) IN GENERAL.—The management of the refuge by the Secretary of the Interior shall be subject to those cleanup and remediation activities relating to the environmental remediation of the Arsenal that are carried out by the Secretary of the Army under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and other applicable laws.

(B) EFFECT OF ESTABLISHMENT OF REFUGE.—The establishment of the refuge shall not limit, restrict, or modify in any way the ongoing environmental remediation conducted pursuant to applicable law at the Arsenal and surrounding areas, including—

(i) the substance or performance of any remedial investigation and feasibility study or endangerment assessment;

(ii) the contents and conclusions of any remedial investigation and feasibility study or endangerment assessment report; and

(iii) the selection of remedial actions for the Arsenal and surrounding areas.

(2) PROHIBITION AGAINST ANNEXATION.—Notwithstanding section 4(a)(2) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(a)(2)), the Secretary of the Interior shall not permit the annexation of lands within the refuge by any unit of general local government.

(3) PROHIBITION AGAINST THROUGH ROADS.—Public roads may not be constructed through the refuge.

SEC. 2855. DISPOSAL OF CERTAIN REAL PROPERTY AT THE ARSENAL FOR COMMERCIAL, HIGHWAY, OR OTHER PUBLIC USE.

(a) PROPERTY DESIGNATED FOR DISPOSAL.—

(1) IN GENERAL.—The areas of real property at the Arsenal that are described in paragraph (2) are designated for disposal under this section for commercial, highway, or other public use purposes.

(2) PROPERTY.—The areas referred to in paragraph (1) are—

(A) a parcel of real property consisting of approximately 815 acres located at the Arsenal, the approximate legal description of which is section 9, T3S-R67W, the W2W2 of section 4 and the W4E2W2 of section 4, T3S-R67W, and the SW4SW4 of section 33, the W4E2W2 of section 33, and the W2NW4 of section 33, T2S-R67W, except for—

(i) a parcel consisting of approximately 63.04 acres containing a United States Postal Service facility and described in Department of the Army lease No. DACA 45-4-71-6185, which shall be subject to section 2852; and

(ii) the water wells located in buildings 385, 386, and 387 at the Arsenal and associated facilities and easements necessary to operate and maintain the water wells, which shall be subject to section 2852; and

(B) to permit the widening of existing roads, a parcel of real property of not more than 100 feet inside the boundary of the Arsenal on—

(i) the Northwest side of the Arsenal adjacent to Colorado Highway No. 2;

(ii) the Northern side of the Arsenal adjacent to 96th Avenue; and

(iii) the Southern side of the Arsenal adjacent to 56th Avenue.

(b) DISPOSAL.—

(1) DETERMINATION.—Not later than 180 days after the completion of remedial design for the Arsenal, the Secretary of the Army, with the concurrence of the Secretary of the Interior and after providing an opportunity for public comment, shall determine which parcels, if any, within the real property described in subsection (a)(2) shall be retained by the Secretary for cleanup and remediation measures.

(2) DISPOSAL.—After making the determination described in paragraph (1), the Secretary of the Army shall dispose of the remaining parcels in the manner provided for in this section. As cleanup and remediation measures on the retained parcels are completed, the Secretary of the Army shall dispose of the retained parcels in the same manner.

(3) NOTIFICATION.—The Secretary of the Army shall notify the State of Colorado and appropriate units of local government, including the City of Commerce City, Colo-

rado, of the proposed and final determinations made under this subsection.

(c) TRANSFER FOR HIGHWAY PURPOSES.—The Secretary of the Army shall convey those parcels of real property described in subsection (a)(2)(B) and available for disposal under subsection (b) to the State or the appropriate unit of general local government at no cost in order to allow for the improvement of public roads in existence on the date of the enactment of this subtitle or for the provision of alternative means of transportation.

(d) TRANSFER FOR SALE.—The Secretary of the Army shall transfer to the Administrator of General Services those parcels of the area of real property described in subsection (a)(2)(A) and available for disposal under subsection (b). The transferred property shall be sold in advertised sales as surplus property under section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484), except that the provisions of such section relating to reduced-cost or no-cost transfers to other governmental entities shall not apply to the property.

(e) LIMITATIONS.—

(1) PERPETUAL RESTRICTIONS.—The disposal of real property under this section shall be subject to perpetual restrictions that—

(A) are attached to any deed to the property; and

(B) prohibit—

(i) the use of the property for residential or industrial purposes;

(ii) the use of groundwater located under, or surface water located on, the property as a source of potable water;

(iii) hunting and fishing on the property, except for hunting and fishing for nonconsumptive use subject to appropriate restrictions; and

(iv) agricultural use of the property, including all farming activities such as the raising of livestock, crops, or vegetables, but excluding agricultural practices used as part of environmental remediation activities or erosion control.

(2) DISPOSAL IN ACCORDANCE WITH ENVIRONMENTAL LAWS.—The disposal of property under this section shall be subject to the requirements of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(f) USE OF PROCEEDS.—Notwithstanding section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)), any amounts realized by the United States from the sale of property as described in subsection (d) shall be transferred to the Director of the United States Fish and Wildlife Service to be used, to the extent provided for in appropriations Acts, to supplement the funds otherwise available for the construction of a visitor and education center at the refuge.

Subtitle E—Miscellaneous

SEC. 2861. ENERGY SAVINGS AT MILITARY INSTALLATIONS.

Section 2865(b) of title 10, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking out "and" at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

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

"(C) may, subject to paragraph (4), authorize the Secretary of a military department having jurisdiction over a military installation to enter into agreements with gas or electric utilities to design and implement cost-effective demand and conservation incentive programs (including energy management services, facilities alterations, and the installation and maintenance of energy saving devices and technologies by the utilities) to address the requirements and circumstances of the installation."; and

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

"(4)(A) If an agreement under paragraph (3)(C) provides for a utility to advance financing costs for the design or implementation of a program referred to in that paragraph to be repayed by the United States, the cost of such advance may be recovered by the utility under terms no less favorable than those applicable to its most favored customer.

"(B) Subject to the availability of appropriations, repayment of costs advanced under subparagraph (A) shall be made from funds available to a military department for the purchase of utility services.

"(C) An agreement under paragraph (3)(C) shall provide that title to any energy-saving device or technology installed at a military installation pursuant to the agreement vest in the United States. Such title may vest at such time during the term of the agreement, or upon expiration of the agreement, as determined to be in the best interests of the United States.".

SEC. 2862. NAVY MINE COUNTERMEASURE PROGRAM.

(a) EVALUATION.—(1) Not later than December 31, 1992, the Secretary of the Navy shall submit to the congressional defense committees and the Comptroller General of the United States a detailed report on actions and plans of the Navy for consolidation and centralization of control over forces assigned to the mine countermeasure mission. The report shall evaluate all facets of the mine countermeasure mission, including—

(A) proposed location of vessels, helicopters, and explosive ordinance detachment units;

(B) proposed command structure;

(C) proposed training policies; and

(D) proposed vessel procurement policies.

(2) The Comptroller General shall evaluate the report submitted under paragraph (1) and, not later than 30 days after the date of the submittal of the report, submit to the congressional defense committees an evaluation of the report.

(b) EVALUATION OF HOMEPORTS FOR MINE COUNTERMEASURES PROGRAM.—The report under subsection (a)(1) shall include a detailed evaluation and analysis of the use of Ingleside, Texas, as the planned homeport for all mine warfare ships, and a comparison of various alternative homeports for mine warfare ships (including an evaluation of the use of bases on the Atlantic Coast and the Pacific Coast as homeports for such ships).

(c) SUSPENSION OF CERTAIN ACTIVITIES PENDING RECEIPT OF REPORT.—The Secretary of the Navy may not take any action to relocate the functions and personnel of the Mine Warfare Command, the Fleet Mine Warfare School, the Mine Warfare Training Center, or any mine countermeasure helicopter squadron until 90 days after the date of the submittal of the report required under subsection (a)(1).

SEC. 2863. PROHIBITION ON EXPANSION OF CERTAIN MILITARY OPERATIONS AREAS.

In designating expanded military operations areas for training operations of aircraft of the Air National Guard and Air Force Reserve under training airspace modification initiatives implemented after the date of the enactment of this Act, the Secretary of the Air Force shall provide for such military operations areas within the geographic boundaries of areas that have been approved for tactical training on such date.

TITLE XXIX—CALVERTON PINE BARRENS PRESERVATION

SEC. 2901. SHORT TITLE.

This title may be cited as the "Calverton Pine Barrens Preservation Act".

SEC. 2902. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) The Pine Barrens, a forest of pine trees extending across Long Island, New York, protect and replenish the Island's sole-source aquifer and require well-planned protection strategies.

(2) The Department of Defense owns 3,234 acres of the Pine Barrens which serve as a buffer zone surrounding the Naval Weapons Industrial Reserve Plant in Calverton, New York, and provide numerous benefits to the public and wildlife.

(3) The General Services Administration has suggested selling portions of the Pine Barrens described in paragraph (2) and under Federal law, such portions could be sold for commercial development.

(4) The New York State Government and local governments have an interest in preserving the Calverton Pine Barrens in its natural state.

(b) PURPOSE.—The purpose of this title is to ensure that the Calverton Pine Barrens are never commercially developed and that they remain in their natural state in perpetuity.

SEC. 2903. CALVERTON PINE BARRENS PROHIBITED FROM BEING COMMERCIALLY DEVELOPED.

In the event that any part of the Calverton Pine Barrens is declared to be excess to the needs of the Department of the Navy, the Secretary of the Navy shall designate that part a protected tract. The protected tract, or any part thereof, may not be disposed of in any way that would allow commercial development to take place on it. If the protected tract, or any part thereof, is ever conveyed to an entity which uses it for commercial development, ownership of the protected tract shall revert to the United States.

SEC. 2904. DESCRIPTION OF THE CALVERTON PINE BARRENS.

The Calverton Pine Barrens is the land of not less than 3,234 acres located on Department of Defense land surrounding the Naval Weapons Industrial Reserve Plant in Calverton, New York.

DEPARTMENT OF ENERGY NATIONAL SECURITY ACT FOR FISCAL YEAR 1993

The text of the original bill (S. 3142) to authorize appropriations for fiscal year 1993 for defense activities of the Department of Energy, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 3142

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 "Department of Energy National Security Act for Fiscal Year 1993".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the

Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out weapons activities necessary for national security programs in the amount of $4,016,909,000, to be allocated as follows:

(1) For research and development, $1,283,900,000.

(2) For weapons testing, $309,500,000.

(3) For production and surveillance, $2,122,600,000.

(4) For program direction, $300,909,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 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) that are necessary for national security programs and are associated with weapons activities for which appropriations are authorized under subsection (a), as follows:

Project GPD-101, general plant projects, various locations, $27,650,000.

Project GPD-121, general plant projects, various locations, $26,350,000.

Project 93-D-122, life safety upgrades, Y-12 Plant, Oak Ridge, Tennessee, $2,700,000.

Project 93-D-123, complex-21, various locations, $26,000,000.

Project 92-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $35,000,000.

Project 92-D-122, health physics/environmental projects, Rocky Flats Plant, Golden, Colorado, $5,300,000.

Project 92-D-123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado, $8,700,000.

Project 92-D-126, replace emergency notification systems, various locations, $10,900,000.

Project 91-D-127, criticality alarm and production annunciation utility replacement, Rocky Flats Plant, Golden, Colorado, $6,300,000.

Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $50,120,000.

Project 90-D-126, environmental, safety, and health enhancements, various locations, $9,200,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $34,400,000.

Project 88-D-122, facilities capability assurance program, various locations, $87,100,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, South Carolina, $4,865,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $3,610,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for capital equipment not related to construction for weapons activities that is necessary for national security programs in the amount of $219,535,000.

(d) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by—

(1) $73,000,000 for reductions in weapons requirements;

(2) $78,200,000 for prior year balances; and

(3) $9,350,000 for departmental administration.

SEC. 3102. NEW PRODUCTION REACTORS.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out new production reactor activities necessary for national security programs in the amount of $184,028,000.

(b) ADJUSTMENTS FOR SAVINGS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by $150,000,000.

SEC. 3103. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $4,108,452,000, to be allocated as follows:

(1) For corrective activities—environment, $2,431,000.

(2) For corrective activities—defense programs, $7,386,000.

(3) For environmental restoration, $1,448,427,000.

(4) For waste management, $2,252,037,000.

(5) For technology development, $330,700,000.

(6) For transportation management, $19,335,000.

(7) For program direction, $48,136,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 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) that are necessary for national security programs and are associated with environmental restoration and waste management activities for which appropriations are authorized under subsection (a), as follows:

Project GPD-171, general plant projects, various locations, $83,285,000.

Project 93-D-172, electrical upgrade, Idaho National Engineering Laboratory, Idaho, $1,000,000.

Project 93-D-174, plant drain waste water treatment upgrades, Y-12 Plant, Oak Ridge, Tennessee, $1,800,000.

Project 93-D-175, industrial waste compaction facility, Y-12 Plant, Oak Ridge, Tennessee, $2,200,000.

Project 93-D-176, Oak Ridge reservation storage facility, K-25, Oak Ridge, Tennessee, $4,000,000.

Project 93-D-177, disposal of K-1515 sanitary water treatment plant waste, K-125, Oak Ridge, Tennessee, $1,500,000.

Project 93-D-178, building 374 liquid waste treatment facility, Rocky Flats Plant, Golden, Colorado, $2,700,000.

Project 93-D-180, environmental monitoring-RCRA groundwater monitoring installation, Richland, Washington, $8,700,000.

Project 93-D-181, radioactive liquid waste line replacement, Richland, Washington, $350,000.

Project 93-D-182, replacement of cross-site transfer system, Richland, Washington, $4,495,000.

Project 93-D-183, multi-tank waste storage facility, Richland, Washington, $10,300,000.

Project 93-D-184, 325 facility compliance/renovation, Richland, Washington, $1,500,000.

Project 93-D-185, landlord program safety compliance, Phase II, Richland, Washington, $849,000.

Project 93-D-186, 200 area unsecured core area fabrication shop, Richland, Washington, $1,000,000.

Project 93-D-187, high-level waste removal from filled waste tanks, Savannah River, South Carolina, $2,000,000.

Project 93-D-188, new sanitary landfill, Savannah River, South Carolina, $2,000,000.

Project 92-D-171, mixed waste receiving and storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,000,000.

Project 92-D-172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $1,900,000.

Project 92-D-173, nitrogen oxide abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $7,000,000.

Project 92-D-177, tank 101-AZ waste retrieval system, Richland, Washington, $3,000,000.

Project 92-D-180, inter-area line upgrade, Savannah River, South Carolina, $3,170,000.

Project 92-D-181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $8,000,000.

Project 92-D-182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $3,700,000.

Project 92-D-183, transportation complex, Idaho National Engineering Laboratory, Idaho, $5,860,000.

Project 92-D-184, Hanford infrastructure underground storage tanks, Richland, Washington, $3,700,000.

Project 92-D-185, road, ground, and lighting safety improvements, 300/1100 areas, Richland, Washington, $6,500,000.

Project 92-D-187, 300 area electrical distribution, conversion, and safety improvements, Phase II, Richland, Washington, $1,724,000.

Project 92-D-188, waste management, ES&H, and compliance activities, various locations, $1,000,000.

Project 92-D-402, sanitary sewer system rehabilitation, Lawrence Livermore National Laboratory, California, $5,500,000.

Project 92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California, $10,100,000.

Project 91-EM-100, environmental and molecular sciences laboratory, Richland, Washington, $28,500,000.

Project 91-D-171, waste receiving and processing facility, module 1, Richland, Washington, $21,800,000.

Project 91-D-172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $57,530,000.

Project 91-D-173, hazardous low-level waste processing tanks, Savannah River, South Carolina, $15,300,000.

Project 91-D-175, 300 area electrical distribution, conversion, and safety improvements, Phase I, Richland, Washington, $981,000.

Project 90-D-103 environmental, safety, and health improvements, various locations,

Los Alamos National Laboratory, Los Alamos, New Mexico, $6,315,000.

Project 90-D-174, decontamination laundry facility, Richland, Washington, $7,442,000.

Project 90-D-175, landlord program safety compliance-I, Richland, Washington, $4,753,000.

Project 90-D-176, transuranic (TRU) waste facility, Savannah River, South Carolina, $5,000,000.

Project 90-D-177, RWMC transuranic (TRU) waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $41,700,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $4,200,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $44,950,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $7,000,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $15,795,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $7,900,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $81,471,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $1,904,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $8,800,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, California, $2,755,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $10,330,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $32,600,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for capital equipment not related to construction for environmental restoration and waste management activities that is necessary for national security programs in the amount of $153,198,000, to be allocated as follows:

(1) For corrective activities—defense programs, $1,120,000.

(2) For waste management, $132,749,000.

(3) For technology development, $16,200,000.

(4) For transportation management, $465,000.

(5) For program direction, $2,664,000.

(d) ADJUSTMENTS FOR SAVINGS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by $13,137,000 for program savings and departmental administration.

(e) USE OF FUNDS.—From funds authorized to be appropriated pursuant to subsection (a) to the Department of Energy for environmental restoration and waste management activities, the Secretary of Energy may reimburse the cities of Westminster, Broomfield, Thornton, and Northglen, in the State of Colorado, $40,000,000 for the cost of implementing water management programs. Reimbursements for the water management programs shall not be considered a major Federal action for purposes of 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3104. DEFENSE MATERIALS PRODUCTION AND OTHER DEFENSE PROGRAMS.

(a) OPERATING EXPENSES.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses incurred in carrying out nuclear materials production and other defense programs necessary for national security programs as follows:

(1) For defense materials production, $1,375,475,000.

(2) For verification and control technology, $301,215,000.

(3) For nuclear safeguards and security, $96,837,000.

(4) For security investigations, $58,289,000.

(5) For Office of Security evaluations, $5,150,000.

(6) For nuclear safety, $25,490,000.

(7) For naval reactors development, including enrichment materials, $711,400,000.

(8) For education programs, $22,400,000.

(b) PLANT PROJECTS.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 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) that are necessary for national security programs and are associated with new nuclear materials production activities and other defense programs for which appropriations are authorized under subsection (a), as follows:

(1) For defense materials production:

Project GPD-146, general plant projects, various locations, $32,260.

Project 93-D-147, domestic water system upgrade, Phase I, Savannah River, South Carolina, $1,000,000.

Project 93-D-148, replace high-level drain lines, Savannah River, South Carolina, $800,000.

Project 93-D-152, environmental modification for production facilities, Savannah River, South Carolina, $2,000,000.

Project 93-D-153, uranium recovery hydrogen fluoride system upgrade, Y-12 Plant, Oak Ridge, Tennessee, $2,400,000.

Project 92-D-140, F and H canyon exhaust upgrades, Savannah River, South Carolina, $12,500,000.

Project 92-D-141, reactor seismic improvement, Savannah River, South Carolina, $5,000,000.

Project 92-D-142, nuclear material processing training center, Savannah River, South Carolina, $11,700,000.

Project 92-D-143, health protection instrument calibration facility, Savannah River, South Carolina, $8,000,000.

Project 92-D-150, operations support facilities, Savannah River, South Carolina, $4,100,000.

Project 92-D-153, engineering support facility, Savannah River, South Carolina, $3,500,000.

Project 90-D-141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho, $1,553,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $39,685,000.

Project 90-D-150, reactor safety assurance, Phases I, II, and III, Savannah River, South Carolina, $4,210,000.

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $13,104,000.

Project 89-D-148, improved reactor confinement system, Savannah River, South Carolina, $4,240,000.

Project 86-D-149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $11,651,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $5,647,000.

Project 85-D-145, fuel production facility, Savannah River Site, South Carolina, $17,000,000.

(2) For verification and control technology:

Project 90-D-186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $10,000,000.

(3) For nuclear safeguards and security:

Project GPD-186, general plant projects, Central Training Academy, Albuquerque, New Mexico, $2,000,000.

(4) For naval reactors development:

Project GPN-101, general plant projects, various locations, $8,500,000.

Project 93-D-200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,200,000.

Project 92-D-200, laboratories facilities upgrades, various locations, $7,500,000.

Project 90-N-102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $13,600,000.

Project 90-N-103, advanced test reactor off-gas treatment system, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 90-N-104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,900,000.

(c) CAPITAL EQUIPMENT.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1993 for capital equipment not related to construction for nuclear materials production and other defense programs that is necessary for national security programs as follows:

(1) For defense materials production, $80,900,000.

(2) For verification and control technology, $16,500,000.

(3) For nuclear safeguards and security, $5,327,000.

(4) For naval reactors development, $60,400,000.

(d) ADJUSTMENTS.—The total amount that may be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (c) reduced by—

(1) $400,000,000 for recovery of overpayment to the Savannah River Pension Fund;

(2) $27,082,000 for anticipated savings;

(3) $70,000,000 for reductions in production requirements; and

(4) $2,341,000 for departmental administration.

SEC. 3105. FUNDING USES AND LIMITATIONS.

(a) INERTIAL CONFINEMENT FUSION.—Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1993 for operating expenses and plant and capital equipment, $220,300,000 shall be available for the defense inertial confinement fusion program.

(b) FIRE PROTECTION AND COOLING OR REFRIGERATION SYSTEMS.—None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1993 may be obligated for the design, purchase, or installation of any fire protection system or cooling or refrigeration system that utilizes Class I chlorofluorocarbons (as listed under section 602(a) of the Clean Air Act (42 U.S.C. 7671a(a)) unless the Secretary of Energy determines that an alternative system meeting the operational requirements of the Department of Energy is not commercially available.

(c) RECONFIGURATION OF NONNUCLEAR ACTIVITIES.—(1) None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1993 may be obligated for the implementation of the reconfiguration of any nonnuclear activities of the Department of Energy until—

(A) the Secretary of Energy submits a report to the congressional defense committees that—

(i) contains an analysis of the projected costs and benefits of the proposed reconfiguration and any proposed alternatives to such reconfiguration (including the alternative of not reconfiguring such activities); and

(ii) sets forth an analysis of (I) the lifecycle costs and benefits of the reconfiguration, and (II) the discounted cash flow of such proposed alternatives;

(B) the Secretary certifies to the congressional defense committees that a discounted cash flow analysis demonstrates that the closure of each Department of Energy nonnuclear defense facility or activity identified for closure and each transfer of a nonnuclear activity is cost effective;

(C) the Secretary certifies to the congressional defense committees that the reconfiguration of nonnuclear activities of the Department of Energy will not increase technological, environmental, safety, or health risks relating to the operation of the nuclear weapons facilities of the Department; and

(D) 60 days have elapsed after the later of—

(i) the date of the submittal of the report under subparagraph (A); and

(ii) the date of the certification under subparagraph (B).

(2) This subsection may not be construed to prohibit the obligation of funds for the purpose of conducting any study or analysis that the Secretary determines necessary for assessing the cost-effectiveness, practicability, or feasibility of reconfiguring the activities of the Department of Energy to nonnuclear purposes.

(d) NEW PRODUCTION REACTORS.—None of the funds authorized to be appropriated by section 3102 shall be used to close out the new production reactor program until 30 days after the Secretary of Energy has submitted a plan to the congressional defense committees to continue work beyond the termination phase of the two existing new production reactor design teams to address key technical risks and intitiation of detailed design of two electric power producing reactor concepts, including an advanced light water reactor and the modular high temperature gas reactor to undertake the added mission of plutonium disposal. In addition, the plan shall address key technical risks of and fundamental technology for a linear accelerator for plutonium disposal and nuclear waste transmutation.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may not be taken until—

(A) the Secretary of Energy has submitted to the congressional defense committees 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 such proposed action; 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 calendar days to a day certain.

(b) LIMITATION ON AMOUNT OBLIGATED.—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.

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 provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(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 $1,200,000, the Secretary shall immediately furnish a complete 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, which is authorized by sections 3101, 3102, 3103, and 3104, 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 actions 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 calendar days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

Funds appropriated pursuant to this title may be transferred to other agencies of Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary of Energy may carry out advance planning and construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In the case of any project in which the total estimated cost for advance planning and design exceeds $300,000, the Secretary shall notify the congressional defense committees in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—In addition to funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, 3103, and 3104, the Secretary of Energy may use any other funds available to the Department of Energy to perform planning, design, and construction activities for any Department of Energy defense activity construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, meet the needs of national defense, or 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 such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b) does not apply to emergency planning, design, and construction activities conducted under this section.

(d) REPORT.—The Secretary of Energy shall promptly report to the congressional defense committees any exercise of authority 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.

When so specified in an appropriation Act, amounts appropriated for operating expenses, plant, or capital equipment may remain available until expended.

Subtitle C—Miscellaneous

SEC. 3131. USE OF FUNDS FOR PAYMENT OF PENALTY ASSESSED AGAINST FERNALD ENVIRONMENTAL MANAGEMENT PROJECT.

The Secretary of Energy may pay to the Environmental Protection Agency, from funds appropriated to the Department of Energy for environmental restoration and waste management activities pursuant to section 3103, a stipulated civil penalty in the amount of $100,000 assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against the Fernald Environmental Management Project.

SEC. 3132. PROHIBITION ON ENTRY INTO CERTAIN CONTRACTS FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Notwithstanding any other provision of law, the Secretary of Energy may not enter

into a contract or other agreement for the performance of environmental restoration or waste management activities with any person who has been convicted of, has pleaded guilty to, or has otherwise been determined by a court of competent jurisdiction to have committed a criminal violation in connection with activities at a Department of Energy facility of any of the following laws:

(1) The Clean Air Act (42 U.S.C. 7401 et seq.).

(2) The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(3) The Safe Drinking Water Act (42 U.S.C. 300f et seq.).

SEC. 3133. REQUIREMENT OF ANNUAL AUTHORIZATION OF APPROPRIATIONS FOR FUNDS FOR CERTAIN DEPARTMENT OF ENERGY NATIONAL SECURITY ACTIVITIES.

(a) REQUIREMENT.—Chapter 9 of the Atomic Energy Act of 1954 (42 U.S.C. 2121 et seq.) is amended by adding at the end the following new section:

"SEC. 93. ANNUAL AUTHORIZATION OF APPROPRIATIONS.—

"(a) No funds may be appropriated for any fiscal year to or for the use of the Department of Energy for national security programs of the Department, and no funds appropriated to or for the use of the Department of Energy for such programs may be obligated or expended for—

"(1) procurement of goods or services,

"(2) research, development, test or evaluation, or procurement or production related thereto,

"(3) nuclear weapons testing,

"(4) construction,

"(5) operation and maintenance of any defense nuclear facility, or

"(6) operation of the Department of Energy central office,

unless funds therefor have been specifically authorized by law.

"(b) In this section, the term 'defense nuclear facility' means—

"(1) a production or utilization facility under the control or jurisdiction of the Secretary of Energy that is operated for national security purposes, other than a facility that does not conduct atomic energy defense activities;

"(2) a nuclear waste storage or disposal facility under the control or jurisdiction of the Secretary; and

"(3) a nuclear weapons research facility under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories).".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such Act is amended by inserting after the item relating to section 92 the following new item:

"Sec. 93. Annual authorization of appropriations.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply to fiscal years after fiscal year 1992.

SEC. 3134. FUNDS AVAILABLE FOR OVERSIGHT.

Of the funds available to the Secretary of Energy for fiscal year 1993 for program management, including travel, $150,000 shall be available only for the purposes set forth in section 1108(g) of title 31, United States Code.

SEC. 3135. DEPARTMENT OF ENERGY CITIZEN ADVISORY GROUPS.

(a) ESTABLISHMENT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Energy shall establish a citizen advisory group for each Department of Energy defense nuclear facility.

(b) MEMBERSHIP.—Each advisory group shall be composed of the following members:

(1) Five or more members appointed by the Secretary of Energy, of whom—

(A) at least one shall be an individual who lives in a community near the facility for which the advisory group is established;

(B) at least one shall be a member of an affected Indian tribe;

(C) at least one shall be a representative of a nationally recognized environmental organization;

(D) at least one shall be a representative of an environmental organization from the area in which the facility is located; and

(E) at least one shall be an individual having technical expertise in environmental restoration, waste management, or health care matters related to such restoration or waste management.

(2) Two members appointed by the Governor of the State in which the facility is located.

(3) Two members appointed by the Governor of any other State which is located within 50 miles of the facility.

(c) DUTIES.—Each advisory group shall, with respect to the Department of Energy defense nuclear facility for which it is established—

(1) review and evaluate the performance by the Department of Energy of environmental restoration, waste management, and health-related activities at the facility, including the adherence of the Department with any milestones or deadlines with respect to such activities that were agreed to by the Secretary of Energy in interagency agreements entered into with other Federal agencies;

(2) review and evaluate the adequacy of any oversight activities carried out with respect to the facility by the Environmental Protection Agency, the environmental agency of the State in which the facility is located, and other appropriate Federal and State agencies, including the adequacy of—

(A) any actions taken by such agencies to ensure the adherence of the Department of Energy with any milestones or deadlines that were agreed to by the Secretary in interagency agreements entered into with other Federal agencies;

(B) any actions taken by appropriate Federal and State agencies to ensure compliance by the Department of Energy with Federal or State laws requiring the performance of relevant health-related activities at the facility; and

(C) any existing or on-going health-related activities undertaken by the Department of Energy and other Federal and State agencies with respect to the facility;

(3) provide, at least once annually, to the Secretary of Energy, the Administrator of the Environmental Protection Agency, and the heads of other appropriate Federal and State agencies—

(A) an evaluation of the policy and technical considerations of any significant decisions made by such agencies with respect to environmental restoration, waste management, and health-related activities at the facility, including decisions on the selection of waste management treatment technology, the selection of cleanup remedies for environmental restoration, and the design and conduct of health assessments; and

(B) recommendations on policy and technical matters with respect to the facility based upon the evaluation conducted under subparagraph (A);

(4) provide to the Secretary of Energy, the Administrator of the Environmental Protection Agency, and the Governor of the State in which the facility is located the views of persons in communities and regions located near, or effected by, the facility on the environmental restoration, waste management, and health activities conducted at the facility;

(5) submit annually to the Governor of the State in which the facility is located and to Congress a report on the activities of the advisory group during the preceding year, including the findings, assessments, and conclusions of the advisory group, and any recommendations of the advisory group on policy or technical matters based upon such findings, assessments, and conclusions; and

(6) perform any other activity the advisory group considers necessary to carry out its duties under this section.

(d) TECHNICAL ASSISTANCE.—The Secretary of Energy shall provide funding to each advisory group to permit the group to hire the technical, advisory, and support staff that the group determines necessary to carry out its duties under this section. The amount of such funding in any year may not exceed $250,000 per group.

(e) FUNDING.—Of the funds authorized to be appropriated in fiscal year 1993 for the Department of Energy for national security programs, $5,000,000 may be used to carry out this section.

(f) DEFINITION.—In this section, the term "Department of Energy defense nuclear facility" means—

(1) a production or utilization facility under the control or jurisdiction of the Secretary of Energy that is operated for national security purposes, other than a facility that does not conduct atomic energy defense activities;

(2) a nuclear waste storage or disposal facility under the control or jurisdiction of the Secretary; and

(3) a nuclear weapons research facility under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories).

SEC. 3136. NUCLEAR WEAPONS COUNCIL MEMBERSHIP.

Section 179(a)(1) title 10, United States Code, is amended to read as follows:

"(1) The Under Secretary of Defense for Acquisition.".

SEC. 3137. REVISED OFFSET FOR PAYMENTS FOR INJURIES BELIEVED TO ARISE OUT OF ATOMIC WEAPONS TESTING PROGRAM.

(a) REVISED OFFSET.—Section 6(c)(2)(B) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended by striking out the following: "The amount of the offset under this subparagraph with respect to payments described in clauses (i) and (ii) shall be the actuarial present value of such payments.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to claims filed pursuant to section 4(a) of the Radiation Exposure Compensation Act before, on, or after the date of the enactment of this Act.

SEC. 3138. REPORTS ON THE DEVELOPMENT OF NEW PRODUCTION REACTOR CAPACITY.

(a) REPORT BY THE SECRETARY OF ENERGY.—(1) The Secretary of Energy shall annually submit to the congressional defense committees a report on the new production reactor program of the Department of Energy.

(2) The annual report shall include the following:

(A) An estimate of the date by which new production reactor capacity will be necessary in order to maintain the active and reserve stockpile of nuclear weapons of the United States.

(B) An estimate of the date on which construction of such capacity should begin in order to maintain the active and reserve stockpile.

(C) An assessment of the technical adequacy of the methods available for the production of tritium, including an assessment of the risk that each method may fail to produce tritium on a reliable basis within the period necessary for meeting the requirements of the United States.

(D) An assessment of the capability of the potential industrial suppliers of new production reactor capacity to design and construct such capacity by the date estimated pursuant to subparagraph (A).

(3)(A) The Secretary shall submit the annual report in 1993 and each year thereafter until the construction of the new production reactor is completed. The Secretary shall submit the report not later than 60 days after the date on which the President submits the budget to Congress under section 1105 of title 31, United States Code.

(b) PROGRAM OFFICE.—The Secretary shall maintain a program office for the new production reactor program until the new production reactor capacity becomes operational.

(c) SENSE OF CONGRESS.—It is the sense of Congress that the technology chosen for new production reactor capacity shall be the technology that has the highest probability of successfully sustaining operation, the lowest risk of operational failure, and the lowest cost of construction and operation (including any revenues accruing to the United States from such operation).

SEC. 3139. TECHNOLOGY TRANSFER.

(a) EXPEDITED REVIEW OF AGREEMENTS WITH SMALL BUSINESSES.—Section 12(c)(5) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(5)) is amended—

(1) in subparagraph (C)(i), by striking out "Any agency" and inserting in lieu thereof "Except as provided in subparagraph (D), any agency"; and

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

"(D)(i) Any non-Federal entity that operates a laboratory pursuant to a contract with a Federal agency shall submit to the head of the agency any cooperative research and development agreement that the entity proposes to enter into with a small business firm and the joint work statement required with respect to that agreement.

"(ii) A Federal agency that receives a proposed agreement and joint work statement under clause (i) shall review and approve, request specific modifications to, or disapprove the proposed agreement and joint work statement within 30 days after such submission. The agreement and joint work statement shall provide a 30-day period within which such action must be taken beginning on the date of the submittal of the agreement and joint work statement to the head of the agency.

"(iii) In any case in which an agency which has contracted with an entity referred to in clause (i) disapproves or requests the modification of a cooperative research and development agreement or joint work statement submitted under that clause, the agency shall transmit a written explanation of such disapproval or modification to the head of the laboratory concerned.".

(b) TECHNOLOGY TRANSFER TO SMALL BUSINESSES.—(1) The Secretary of Energy shall establish a program to facilitate and encourage the transfer of technology to small businesses and shall issue guidelines relating to the program not later than May 1, 1993.

(2) For the purposes of this subsection, the term "small business" means a business concern that meets the applicable size standards prescribed pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

(c) PROVISION OF INFORMATION ON COOPERATIVE RESEARCH.—The Secretary of Energy and the Secretary of Defense shall provide appropriate federally funded technology transfer centers with information on cooperative research and development agreements or other arrangements entered into with respect to laboratories of the Department of Energy and other departments and agencies of the Federal Government. The Secretaries shall provide such information within 60 days after the date on which such agreements are received and within 60 days after such agreements become effective.

(d) FUNDING.—Funds authorized to be appropriated to the Department of Energy and made available for laboratory directed research and development shall be available for cooperative research and development agreements or other arrangements applicable to laboratories of the Department of Energy and other departments and agencies of the Federal Government.

SEC. 3140. EXPANSION OF AUTHORITY TO LOAN PERSONNEL AND FACILITIES.

(a) AUTHORITY TO LOAN PERSONNEL.—Subsection (a)(1) of section 1434 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2074) is amended—

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

(2) in the first sentence, by striking out "or construction management at the Hanford Reservation, Washington," and all that follows through the period, and inserting in lieu thereof the following: "or construction management—

"(i) at the Hanford Reservation, Washington, to loan personnel in accordance with this section to the community development organization known as the Tri City Industrial Development Council serving Benton and Franklin Counties, Washington; and

"(ii) at the Idaho National Engineering Laboratory, Idaho, to loan personnel in accordance with this section to any community-based organization."; and

(3) by striking out the second sentence and inserting in lieu thereof the following:

"(B) Any loan under subparagraph (A) shall be for the purpose of assisting in the diversification of the local economy by reducing reliance by local communities on national security programs at the Hanford Reservation and the Idaho National Engineering Laboratory.".

(b) FUNDING.—Subsection (a)(3) of such section is amended by inserting after the first sentence the following: "In each of fiscal years 1993 and 1994, the Secretary of Energy may not obligate or expend for loans of personnel under this section more than $250,000 with respect to the Hanford Reservation and more than $250,000 with respect to the Idaho National Engineering Laboratory.".

(c) AUTHORITY TO LOAN FACILITIES.—Subsection (b) of such section is amended by inserting "or the Idaho National Engineering Laboratory, Idaho," after "Hanford Reservation, Washington,".

(d) DURATION OF PROGRAM.—Subsection (c) of such section is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1994".

SEC. 3141. STUDY OF CONVERSION OF NEVADA TEST SITE FOR USE FOR SOLAR ENERGY PRODUCTION PURPOSES.

(a) REQUIREMENT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Energy, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Director of the Office of Technology Assessment, shall carry out and submit to Congress a study on the conversion, development, and utilization of the Nevada Test Site, Nevada, or one or more portions thereof, as a commercial facility for the development of solar energy research and production technologies.

(b) STUDY ELEMENTS.—In carrying out the study under subsection (a), the Secretary of Energy shall consider the following:

(1) The potential of the Nevada Test Site for solar energy production from a variety of solar energy production technologies, including technologies for the production of thermal energy and photovoltaic energy.

(2) The costs and benefits of the development of such energy production technologies, including the cost per kilowatt hour of energy production from each such technology and the potential market for the sale or use of energy produced by such technologies.

(3) The effect of the development of the Nevada Test Site for solar energy production on the economy and employment rates in the region in which the Nevada Test Site is located.

(4) The effectiveness of plans for retraining current employees at the Nevada Test Site for employment in the development, utilization, and marketing of solar energy production technologies.

(5) The effect of the development of various solar energy production technologies at the Nevada Test Site on the manufacturing and export economy of the United States.

(6) The extent to which the development of solar energy production technologies at the Nevada Test Site is compatible with current and proposed alternative uses of the Site, including the compatibility of such development with environmental restoration and other clear-up activities at the Site and with continuing use of the Site for limited nuclear testing.

Subtitle D—Defense Nuclear Work Force Restructuring

SEC. 3151. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORK FORCE RESTRUCTURING PLAN.

(a) IN GENERAL.—(1) Subject to subsections (b) through (e) and not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall develop, issue, and commence implementation of a plan for the restructuring of the employee work force at Department of Energy defense nuclear facilities described in paragraph (2).

(2) The plan shall apply to—

(A) each Department of Energy defense nuclear facility the primary mission of which changes from weapons production and related activities to environmental restoration and waste management; and

(B) each Department of Energy defense nuclear facility that is scheduled for closure.

(C) any Department of Energy defense nuclear facility, including the Nevada Test Site, that will experience a reduction of 10 percent or more in the number of Department of Energy employees employed at the facility in any 12-month period.

(b) PLAN REQUIREMENTS.—In developing and implementing the plan referred to in subsection (a), the Secretary shall provide—

(1) that any changes in the functions or missions of facilities referred to in subsection (a)(2)(A) and any closures of facilities referred to in subsection (a)(2)(B) be carried out by means that minimize the economic effects of such changes or closures on Department of Energy employees at such facilities, including the provision of notice of such changes or closures not later than 120 days before the commencement of such changes or closures to such employees and the communities in which such facilities are located and the use of retraining, early retirement, attrition, and other similar means to minimize the number of terminations of employment that result from such changes or closures;

(2) that the employees whose employment in positions at such facilities will be terminated as a result of the restructuring plan receive first preference in any hiring by the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1682)) after the issuance of the plan;

(3) that such employees be retrained as necessary and in a timely fashion for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy;

(4) that the Department of Energy provide relocation assistance to such employees who are transferred to other Department of Energy facilities as a result of the plan;

(5) that, in the case of any employee who expresses in writing an intent to seek employment outside the Department of Energy, the Department of Energy provide appropriate employment retraining, education, and reemployment assistance (including employment placement assistance) to such employee before the terminations of the employee's employment with the Department of Energy; and

(6) that the Department of Energy provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with—

(A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (division D of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2391 note)); and

(C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

(c) PLAN UPDATES.—Not later than 1 year after issuing the plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall—

(1) satisfy the requirements set forth in subsection (b), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

(d) CONSULTATION.—(1) In developing the plan referred to in subsection (a) and any updates of the plan under subsection (c), the Secretary shall consult with the Secretary of Labor, labor organizations or other appropriate representatives of local and national collective-bargaining units of Department of Energy employees, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(e) SUBMITTAL TO CONGRESS.—The Secretary shall submit the plan referred to in subsection (a) to Congress.

SEC. 3152. PROGRAM TO MONITOR DEPARTMENT OF ENERGY WORKERS EXPOSED TO HAZARDOUS AND RADIOACTIVE SUBSTANCES.

(a) IN GENERAL.—The Secretary of Energy shall establish and carry out a program for the identification and on-going medical evaluation of current and former Department of Energy employees who are subject to significant health risks as a result of the exposure of such employees to hazardous or radioactive substances during such employment.

(b) IMPLEMENTATION OF PROGRAM.—(1) The Secretary shall, with the concurrence of the Secretary of Health and Human Services, issue regulations to implement the program. Such regulations shall permit the Secretary of Energy, to the extent practicable, to—

(A) identify the hazardous substances and radioactive substances to which current and former Department of Energy employees may have been exposed as a result of such employment;

(B) determine the levels of exposure to such substances that present such employees with significant health risks;

(C) determine the appropriate number, scope, and frequency of medical evaluations and laboratory tests to be provided to such employees to permit the Secretary to evaluate fully the extent, nature, and medical consequences of such exposure;

(D) identify employees referred to in subparagraph (A) who received a level of exposure referred to in subparagraph (B); and

(E) make available the evaluations and tests referred to in subparagraph (C) to the employees referred to in subparagraph (D).

(2)(A) In determining the most appropriate means of carrying out the activities referred to in subparagraphs (A) through (E) of paragraph (1), the Secretary shall consult with the Secretary of Health and Human Services under the agreement referred to in subsection (c).

(B) The Secretary of Health and Human Services shall carry out the responsibilities of that Secretary under this subparagraph with the assistance of the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health.

(3) In prescribing the guidelines referred to in paragraph (1), the Secretary of Energy shall consult with representatives of the following entities:

(A) The American College of Occupational and Environmental Medicine.

(B) The National Academy of Sciences.

(C) The National Council on Radiation Protection.

(D) Any labor organization or other collective bargaining agent authorized to act on the behalf of employees of a Department of Energy defense nuclear facility.

(4) The Secretary shall notify each employee identified under paragraph (1)(D) and provided with any medical examination or test under paragraph (1)(E) of the identification and the results of any such examination or test. Each notification under this paragraph shall be provided in a form that is readily understandable by the employee.

(5) The Secretary shall collect and assemble information relating to the examinations and tests carried out under paragraph (1)(E).

(6) The Secretary shall commence carrying out the program described in this subsection not later than 1 year after the date of the enactment of this Act.

(c) AGREEMENT WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Energy shall enter into an agreement with the Secretary of Health and Human Services relating to the establishment of the program required under this section.

SEC. 3153. DEFINITIONS.

In this subtitle:

(1) The term "Department of Energy defense nuclear facility" means—

(A) a production facility or utilization facility (as that term is defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary of Energy and is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities;

(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(C) a nuclear weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(D) any facility described in subparagraphs (A) through (C) that—

(i) is no longer in operation;

(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(iii) was operated for national security purposes.

(2) The term "Department of Energy employee" means any employee of the Department of Energy employed at a Department of Energy defense nuclear facility, including any employee of a management and operations contractor (or a subcontractor of such contractor) of the Department of Energy employed at such a facility.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1993, $13,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

MILITARY PERSONNEL TRANSITION ACT

The text of the original bill (S. 3143) to authorize transition assistance for members of the Armed Forces ad-

versely affected by reductions in Government spending for national security functions, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 3143

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 "Military Personnel Transition Act of 1992".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle D—Active Forces Transition Enhancements

SEC. 531. ENCOURAGEMENT FOR CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PERMANENT PROGRAM.—(1) Chapter 58 of title 10, United States Code, is amended by inserting after section 1143 the following new section:

"§ 1143a. Encouragement of postseparation public and community service: Department of Defense

"(a) IN GENERAL.—The Secretary of Defense shall implement a program to encourage members and former members of the armed forces to enter into public and community service jobs after discharge or release from active duty.

"(b) PERSONNEL REGISTRY.—The Secretary shall maintain a registry of members and former members of the armed forces discharged or released from active duty who request registration for assistance in pursuing public and community service job opportunities. The registry shall include information on the particular job skills, qualifications, and experience of the registered personnel.

"(c) REGISTRY OF PUBLIC SERVICE AND COMMUNITY SERVICE ORGANIZATIONS.—The Secretary shall also maintain a registry of public service and community service organizations. The registry shall contain information regarding each organization, including its location, its size, the types of public and community service positions in the organization, points of contact, procedures for applying for such positions, and a description of each such position that is likely to be available. Any such organization may request registration under this subsection and, subject to guidelines prescribed by the Secretary, be registered.

"(d) ASSISTANCE TO BE PROVIDED.—(1) The Secretary shall actively attempt to match personnel registered under subsection (b) with public and community service job opportunities and to facilitate job-seeking contacts between such personnel and the employers offering the jobs.

"(2) The Secretary shall offer personnel registered under subsection (b) counselling services regarding—

"(A) public service and community service organizations; and

"(B) procedures and techniques for qualifying for and applying for jobs in such organizations.

"(3) The Secretary may provide personnel registered under subsection (b) with access to the interstate job bank program of the United States Employment Service if the Secretary determines that such program meets the needs of separating members of the armed forces for job placement.

"(e) CONSULTATION REQUIREMENT.—In carrying out this section, the Secretary shall consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector.

"(f) DELEGATION.—The Secretary, with the concurrence of the Secretary of Labor, may designate the Secretary of Labor as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in this section. Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of the provisions of this section.

"(g) DEFINITIONS.—In this section, the term 'public service and community service organization' includes the following organizations:

"(1) Any organization that provides the following services:

"(A) Elementary, secondary, or postsecondary school teaching or administration.

"(B) Support of such teaching or school administration.

"(C) Law enforcement.

"(D) Public health care.

"(E) Social services.

"(F) Any other public or community service.

"(2) Any nonprofit organization that coordinates the provision of services described in paragraph (1).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1143 the following new item:

"1143a. Encouragement of postseparation public and community service: Department of Defense.".

(b) DEPARTMENT OF VETERANS AFFAIRS RESPONSIBILITIES.—Section 1142(b)(4) of title 10, United States Code, is amended by inserting before the period at the end the following: ", including the public and community service jobs program carried out under section 1143a of this title".

(c) PRESEPARATION ASSISTANCE BY THE DEPARTMENT OF LABOR.—Section 1144(b) of such title is amended by adding at the end the following new paragraph:

"(8) Provide information regarding the public and community service jobs program carried out under section 1143a of this title.".

SEC. 532. TEACHER CERTIFICATION CREDIT FOR MILITARY EXPERIENCE.

(a) UNIFORM STATE STANDARDS AND PROCEDURES.—(1) The Secretary of Defense shall—

(A) develop proposed uniform standards and procedures for the granting of appropriate credit for service in the Armed Forces under State teacher certification or licensing procedures; and

(B) coordinate with appropriate agencies of each State to encourage the incorporation of such uniform standards and procedures into the State's teacher certification or licensing requirements.

(2) The uniform standards should reflect the value to the teaching profession of relevant skills and experience derived from service in the Armed Forces.

(b) DELEGATION TO THE SECRETARY OF EDUCATION.—The Secretary, with the concurrence of the Secretary of Education, may designate the Secretary of Education as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in subsection (a). Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of such subsection.

SEC. 533. PROGRAM OF EDUCATIONAL LEAVE RELATING TO CONTINUING PUBLIC AND COMMUNITY SERVICE.

(a) PROGRAM.—Under regulations prescribed by the Secretary of Defense after consultation with the Secretary of Transportation and subject to subsections (b) and (c), the Secretary concerned may grant to an eligible member of the Armed Forces a leave of absence for a period not to exceed one year for the purpose of permitting the member to pursue a program of education or training (including an internship) for the development of skills that are relevant to the performance of public and community service. A program of education or training referred to in the preceding sentence includes any such program that is offered by the Department of Defense or by any civilian educational or training institution.

(b) ELIGIBILITY REQUIREMENT.—(1) A member may not be granted a leave of absence under this section unless the member agrees in writing—

(A) diligently to pursue employment in public service and community service organizations upon the separation of the member from active duty in the Armed Forces; and

(B) to serve in the Ready Reserve of an armed force, upon such separation, for a period of 4 months for each month of the period of the leave of absence.

(2)(A) A member may not be granted a leave of absence under this section until the member has completed any period of extension of enlistment or reenlistment, or any period of obligated active duty service, that the member has incurred under section 708 of title 10, United States Code.

(B) The Secretary concerned may waive the limitation in subparagraph (A) for a member who enters into an agreement with the Secretary for the member to serve in the Ready Reserve of a reserve component for a period equal to the uncompleted portion of the member's period of service referred to in that subparagraph. Any such period of agreed service in the Ready Reserve shall be in addition to any other period that the member is obligated to serve in a reserve component.

(c) TREATMENT OF LEAVE OF ABSENCE.—A leave of absence under this section shall be subject to the provisions of subsections (c) and (d) of section 708 of title 10, United States Code.

(d) EXCLUSION FROM END STRENGTH LIMITATION.—A member of the Armed Forces, while on leave granted pursuant to this section, may not be counted for purposes of any provision of law that limits the active duty strength of the member's armed force.

(e) DEFINITIONS.—In this section:

(1) The term "Secretary concerned" has the meaning given such term in section 101 of title 10, United States Code.

(2) The term "eligible member of the Armed Forces" means a member of the Armed Forces who is eligible for an educational leave of absence under section 708(e) of such title.

(3) The term "public service and community service organization" has the meaning given such term in section 1143a of such title (as added by section 531(a)).

(f) EXPIRATION.—The authority to grant a leave of absence under subsection (a) shall expire on September 30, 1995.

SEC. 534. TEMPORARY EARLY RETIREMENT AUTHORITY.

(a) RETIREMENT FOR 15 TO 20 YEARS OF SERVICE.—(1) The Secretary of the Army

may, upon the member's request, retire a member of the Army who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 3926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 3925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(2) The Secretary of the Navy may, upon the member's request, retire a member of the Navy or Marine Corps who has the following years of active service:

(A) In the case of a commissioned officer or enlisted member, between 15 and 20 years.

(B) In the case of a warrant officer, between 15 and 20 years computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(3) The Secretary of the Air Force may, upon the member's request, retire a member of the Air Force who has the following years of service:

(A) In the case of a regular or reserve commissioned officer, between 15 and 20 years of service computed under section 8926 of title 10, United States Code.

(B) In the case of an enlisted member, between 15 and 20 years of service computed under section 8925 of such title.

(C) In the case of a warrant officer, between 15 and 20 years of active service computed under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

(b) ADDITIONAL ELIGIBILITY REQUIREMENT.—In order to be eligible for retirement under subsection (a), a member of the Armed Forces shall register on the registry maintained under section 1143a(b) of title 10, United States Code (as added by section 531(a)) and receive counselling regarding public and community service job opportunities from the Secretary of Defense or another source approved by the Secretary.

(c) COMPUTATION OF RETIRED PAY.—A member or former member of the Armed Forces retired under subsection (a) shall be entitled to retired pay computed under the provisions of chapter 71, 371, 571, or 871 of title 10, United States Code, that would be applicable to such member or former member if—

(1) the member or former member had been retired under section 1293 (in the case of a retired warrant officer), 3911 (in the case of a retired commissioned Army officer), 3914 (in the case of a retired enlisted member of the Army), 6323 (in the case of a retired commissioned officer of the Navy), 8911 (in the case of a retired commissioned Air Force officer), or 8914 (in the case of a retired enlisted member of the Air Force) of such title upon completion of 20 years of service creditable for purposes of eligibility for retirement; or

(2) in the case of a retired enlisted member of the Regular Navy or Regular Marine Corps, the retired enlisted member had been retired under section 6326 of such title upon completion of 30 years of active service in the Armed Forces creditable for purposes of eligibility for retirement.

(d) FUNDING.—(1) Notwithstanding section 1463 of title 10, United States Code, and to the extent provided in appropriations Acts, the Secretary of each military department shall provide in accordance with this section for the payment of retired or retainer pay payable during the fiscal years covered by the other provisions of this subsection to members of the armed force under the jurisdiction of that Secretary who are being retired under the authority of this section.

(2) In each fiscal year in which the Secretary of a military department retires a member of the Armed Forces under the authority of this section, the Secretary shall credit to a subaccount (which the Secretary shall establish) within the appropriation account for that fiscal year for pay and allowances of active duty members of the armed force under the jurisdiction of that Secretary such amount as is necessary to pay the retired or retainer pay payable to such member for the entire initial period (determined under paragraph (3)) of the entitlement of that member to receive retired or retainer pay.

(3) The initial period applicable under paragraph (2) in the case of a retired member referred to in that paragraph is the number of years (and any fraction of a year) that is equal to the difference between 20 years and the number of years (and any fraction of a year) of service that were completed by the member (as computed under the provision of law referred to in subsection (a) that is applicable to that member) before being retired under this section.

(4) The Secretary shall pay the member's retired or retainer pay for such initial period out of amounts credited to the subaccount under paragraph (2). The amounts so credited with respect to that member shall remain available for payment for that period.

(e) COORDINATION OF BENEFITS.—A member of the Armed Forces retired under this section is not entitled to benefits under section 1174, 1174a, or 1175 of title 10, United States Code.

(f) TERMINATION OF AUTHORITY.—The authority under subsection (a) shall terminate on October 1, 1995.

SEC. 535. INCREASED EARLY RETIREMENT RETIRED PAY FOR PUBLIC OR COMMUNITY SERVICE.

(a) RECOMPUTATION OF RETIRED PAY.—(1) If a member or former member of the Armed Forces retired under section 534(a) or any other provision of law authorizing retirement from the Armed Forces (other than for disability) before the completion of at least 20 years of active duty service (as computed under the applicable provision of law) is employed by a public service or community service organization listed on the registry maintained under section 1143a(c) of title 10, United States Code (as added by section 531(a)), within the period of the member's enhanced retirement qualification period, the member's or former member's retired or retainer pay shall be recomputed effective on the first day of the first month beginning after the date on which the member or former member attains 62 years of age.

(2) For purposes of recomputing a member's or former member's retired pay—

(A) the years of the member's or former member's employment by a public service or community service organization referred to in paragraph (1) during the member's or former member's enhanced retirement qualification period shall be treated as years of active duty service in the Armed Forces; and

(B) in applying section 1401a of title 10, United States Code, the member's or former member's years of active duty service shall be deemed as of the date of retirement to have included the years of employment referred to in subparagraph (A).

(3) Section 1405(b) of title 10, United States Code, shall apply in determining years of service under this subsection.

(4) In this subsection, the term "enhanced retirement qualification period", with respect to a member or former member retired under a provision of law referred to in paragraph (1), means the period beginning on the date of the retirement of the member or former member and ending the number of years (including any fraction of a year) after that date which when added to the number of years (including any fraction of a year) of service credited for purposes of computing the retired pay of the member or former member upon retirement equals 20 years.

(b) SBP ANNUITIES.—(1) Effective on the first day of the first month after a member or former member of the Armed Forces retired under a provision of law referred to in subsection (a)(1) attains 62 years of age or, in the event of death before attaining that age, would have attained that age, the base amount applicable under section 1447(2) of title 10, United States Code, to any Survivor Benefit Plan annuity provided by that member or former member shall be recomputed. For the recomputation the total years (including any fraction of a year) of the member's or former member's active service shall be treated as having included the member's or former member's years (including any fraction of a year) of employment referred to in subsection (a)(1) as of the date when the member or former member became eligible for retired pay under this section.

(2) In this subsection, the term "Survivor Benefit Plan" means the plan established under subchapter II of chapter 73 of title 10, United States Code.

SEC. 536. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PERSONNEL TO ENROLL IN MONTGOMERY GI BILL PROGRAM WHILE BEING VOLUNTARILY SEPARATED FROM SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by inserting after section 3018A the following new section:

"§ 3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is voluntarily discharged from the Armed Forces with an honorable discharge, or voluntarily released from active duty under honorable conditions (as characterized by the Secretary concerned), pursuant to a request for separation approved under section 1174a or 1175 of title 10,

"(2) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree,

"(3) in the case of any individual who has made an election under section 3011(c)(1) of this title, withdraws such election pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section,

"(4) in the case of any person enrolled in the educational benefits program provided by chapter 32 of this title makes an irrevocable election, pursuant to procedures referred to in paragraph (3) of this subsection, to receive benefits under this section in lieu of benefits under such chapter 32, and

"(5) elects to receive assistance under this section pursuant to regulations referred to in paragraph (3) of this subsection,

is entitled to basic educational assistance under this chapter.

"(b) An election or withdrawal of election permitted under subsection (a) of this section is not effective unless—

"(1) in the case of an individual separated from active duty more than 90 days after the date of the enactment of this section, the individual makes the election or withdrawal before the separation;

"(2) in the case of an individual separated from active duty on or after the date of the enactment of this section and within 90 days after that date, the individual makes the election or withdrawal within 90 days after the separation; and

"(3) in the case of an individual separated from active duty before the date of the enactment of this section, the individual makes the election or withdrawal within 90 days after such date.

"(c)(1) An individual described in subsection (a) of this section who makes a withdrawal referred to in subsection (a)(3) of this section shall pay $1,200 to the Secretary of Veterans Affairs. In the case of an individual who makes the withdrawal of election before being separated, any portion of the obligation to pay $1,200 may be discharged by reduction of that individual's basic pay.

"(2) Amounts received by the Secretary pursuant to paragraph (1) shall be credited to the appropriation available for the fiscal year in which received for the Department of Veterans Affairs for the payment of readjustment benefits.

"(d) A withdrawal of election referred to in subsection (a)(3) of this section is irrevocable.

"(e)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(4) of this subsection shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) as provided in section 3223(b) of this title, to the individual the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to section 3222(c) of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such Account to make payments of benefits to such individual under section 3015(e) of this title.".

(2) The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 3018A the following new item:

"3018B. Opportunity for certain active-duty personnel to enroll while being voluntarily separated from service.".

(b) CONFORMING AMENDMENTS.—(1) Section 3013(d) of such title is amended by inserting "or 3018B" after "section 3018A".

(2) Section 3015(e) of such title is amended by inserting "or 3018B" after "section 3018A".

(3) Section 3035(b)(3) of such title is amended—

(A) in the matter above subparagraph (A), by inserting "or 3018B" after "section 3018A"; and

(B) in subparagraph (B), by inserting "or 3018B(a)(3)" after "section 3018A(a)(3)".

SEC. 537. ELIMINATION OF RECOUPMENT REQUIREMENT FOR RESERVE DUTY.

Paragraph (2) of section 1175(e) of title 10, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), a member entitled to voluntary separation incentive payments who is also entitled to basic pay for active service shall forfeit an amount of voluntary separation incentive payable for the same period that is equal to the total amount of basic pay received.

"(B) Subparagraph (A) does not apply with respect to—

"(i) annual training; or

"(ii) active duty for training that is not active duty for a period of more than 30 days.".

SEC. 538. AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN EMPLOYMENT, JOB TRAINING, AND OTHER ASSISTANCE.

Section 1144(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "$4,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$11,000,000 for fiscal year 1993 and $8,000,000 for each of fiscal years 1994 and 1995."; and

(2) in paragraph (2), by striking out "$1,000,000 for fiscal year 1991" and all that follows through the period and inserting in lieu thereof "$6,500,000 for each of fiscal years 1993, 1994, and 1995.".

SEC. 539. CONTINUED HEALTH COVERAGE FOR MEMBERS AND DEPENDENTS UPON THE SEPARATION OF THE MEMBERS FROM ACTIVE DUTY AND FOR EMANCIPATED CHILDREN OF MEMBERS.

(a) MEMBERS AND EMANCIPATED CHILDREN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1078 the following new section:

"§1078a. Continued health benefits coverage

"(a) PROVISION OF CONTINUED HEALTH COVERAGE.—The Secretary of Defense and the Director of the Office of Personnel Management shall jointly carry out a program in accordance with this section to provide persons described in subsection (b) with temporary health benefits under the program of continued health benefits coverage provided for former civilian employees of the Federal Government and other persons under section 8905a of title 5.

"(b) ELIGIBLE PERSONS.—The persons referred to in subsection (a) are the following:

"(1) A member of the armed forces who—

"(A) is discharged or released from active duty (or full-time National Guard duty), whether voluntarily or involuntarily, under other than adverse conditions, as characterized by the Secretary concerned;

"(B) immediately preceding that discharge or release, is entitled to medical and dental care under section 1074(a) of this title (except in the case of a member discharged or released from full-time National Guard duty); and

"(C) after that discharge or release and any period of transitional health care provided under section 1145(a) of this title, would not otherwise be eligible for any benefits under this chapter.

"(2) A person who—

"(A) ceases to meet the requirements for being considered an unmarried dependent child of a member or former member of the armed forces under section 1072(2)(D) of this title;

"(B) on the day before ceasing to meet those requirements, was covered under a health benefits plan under this chapter or transitional health care under section 1145(a) of this title as a dependent of the member or former member; and

"(C) would not otherwise be eligible for any benefits under this chapter.

"(c) NOTIFICATION OF ELIGIBILITY.—(1) The Director, in consultation with the Secretary of Defense, shall prescribe regulations to provide for persons described in subsection (b) to be notified of eligibility to receive health benefits under this section.

"(2) In the case of a member who becomes (or will become) eligible for continued coverage under subsection (b)(1), the regulations shall provide for the Secretary concerned to notify the member of the member's rights under this section as part of preseparation counseling conducted under section 1142 of this title or any other provision of other law.

"(3) In the case of a child of a member who becomes eligible for continued coverage under subsection (b)(2), the regulations shall provide that—

"(A) the member may submit to the Secretary concerned a written notice of the child's change in status (including the child's name, address, and such other information as the Director may require); and

"(B) the Secretary concerned shall, within 14 days after receiving that notice, inform the child of the child's rights under this section.

"(d) ELECTION OF COVERAGE.—In order to obtain continued coverage under this section, an appropriate written election (submitted in such manner as the Director may prescribe) shall be made as follows:

"(1) In the case of a member described in subsection (b)(1), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date of the discharge or release of the member from active duty;

"(B) the date on which the period of transitional health care applicable to the member under section 1145(a) of this title ends; or

"(C) the date the member receives the notification required pursuant to subsection (c).

"(2) In the case of a person described in subsection (b)(2), the written election shall be submitted to the Director before the end of the 60-day period beginning on the later of—

"(A) the date on which the person first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title, or

"(B) the date the person receives the notification pursuant to subsection (c),

except that if the Secretary concerned determines that the person's parent has failed to provide the notice referred to in subsection (c)(3)(A) with respect to the person in a timely fashion, the 60-day period under this paragraph shall be based only on the date under subparagraph (A).

"(e) COVERAGE OF DEPENDENTS.—A person eligible under subsection (b)(1) to elect to receive coverage may elect coverage either as an individual or, if appropriate, for self and dependents. A person eligible under subsection (b)(2) may elect only individual coverage.

"(f) CHARGES.—(1) Under arrangements satisfactory to the Director, a person receiving continued coverage under this section shall be required to pay into the Employees Health Benefits Fund established under section 8909 of title 5 an amount equal to the sum of—

"(A) the amount determined under section 8905a(d)(1)(A)(i) of title 5;

"(B) an amount, not in excess of 10 percent of the amount referred to in subparagraph (A), that is necessary for administrative expenses, as determined under regulations prescribed by the Director; and

"(C) such additional amount determined by the Director to be necessary to ensure that outlays from the Fund as a result of the program established under this section do not exceed amounts paid under this paragraph.

"(2) If a person elects to continue coverage under this section before the end of the applicable period under subsection (d), but after the person's coverage under this chapter (including any transitional extensions of coverage) expires, coverage shall be restored retroactively, with appropriate contributions (determined in accordance with paragraph (1)) and claims (if any), to the same extent and effect as though no break in coverage had occurred.

"(g) CONTRIBUTION.—Subject to the availability of appropriations for the purpose of this section, if the basis for continued coverage under this section for a member of the armed forces under subsection (b)(1) is involuntary separation approved under section 1174a or 1175 of this title, contributions shall be made in accordance with subsection (f)(1), except that—

"(1) the amount to be paid by the member shall be equal to the employee contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(2) the Secretary of Defense shall pay into the Employees Health Benefits Fund, under arrangements satisfactory to the Director of the Office of Personnel Management, an amount equal to—

"(A) the agency contribution referred to in section 8905a(d)(1)(A)(i) of title 5; and

"(B) the amount described in subsection (f)(1)(B).

"(h) PERIOD OF CONTINUED COVERAGE.—(1) Continued coverage under this section may not extend beyond—

"(A) in the case of a member described in subsection (b)(1), the date which is 18 months after the date the member ceases to be entitled to care under section 1074(a) of this title and any transitional care under section 1145 of this title, as the case may be; and

"(B) in the case of a person described in subsection (b)(2), the date which is 36 months after the date on which the individual first ceases to meet the requirements for being considered an unmarried dependent child under section 1072(2)(D) of this title.

"(2) Notwithstanding paragraph (1)(B), if a person ceases to meet the requirements for being considered an unmarried dependent child of a member described in subsection (b)(1) during a period of continued coverage of that member for self and dependents under this section, extended coverage of that person under this section may not extend beyond the date which is 36 months after the date the member became ineligible for medical and dental care under section 1074(a) of this title and any transitional health care under section 1145(a) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1078 the following new item:

"1078a. Continued health benefits coverage.".

(b) TRANSITIONAL PROVISIONS.—The Director of the Office of Personnel Management shall provide a period for the enrollment for health benefits coverage under this section by members and former members of the Armed Services for whom the availability of transitional health care under section 1145(a) of title 10, United States Code, expires before section 1078a of such title, as added by subsection (a), is implemented.

(c) TERMINATION OF APPLICABILITY OF OTHER CONVERSION HEALTH POLICIES.—(1) No person may purchase a conversion health policy under section or 1145(b) of title 10, United States Code, on or after the date on which the Director of the Office of Personnel Management announces that section 1078a of such title is implemented. A person covered by such a conversion health policy on that date may cancel that policy and enroll in a health benefits plan under section 1078a of such title.

(2) No person may be covered concurrently by a conversion health policy under such section 1145(b) of title 10, United States Code, and a health benefits plan under section 1078a of such title.

(d) EFFECTIVE DATE.—Section 1078a of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1992.

Subtitle E—Guard and Reserve Transition Initiatives

SEC. 541. FORCE REDUCTION TRANSITION PERIOD DEFINED.

In this subtitle, the term "force reduction transition period" means the period beginning on October 1, 1991, and ending on September 30, 1995.

SEC. 542. MEMBER OF SELECTED RESERVE DEFINED.

In this subtitle, the term "member of the Selected Reserve" means—

(1) a member of a unit in the Selected Reserve of the Ready Reserve; and

(2) a Reserve designated pursuant to section 268(b) of title 10, United States Code.

SEC. 543. RESTRICTION ON RESERVE FORCE REDUCTION.

(a) IN GENERAL.—During the force reduction transition period, no unit in the Selected Reserve of the Ready Reserve of the Armed Forces may be inactivated and no member of the Selected Reserve may be involuntarily discharged from a reserve component of the Armed Forces or involuntarily transferred from the Selected Reserve before the Secretary of Defense has promulgated, implemented, and transmitted to the Committees on Armed Services of the Senate and House of Representatives regulations that govern the treatment of members of the Selected Reserve assigned to such units and members of the Selected Reserve that are being subjected to such actions.

(b) SAVINGS PROVISION.—Subsection (a) shall not apply to actions completed before the date of the enactment of this Act.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the prohibition in section 411(c).

SEC. 544. TRANSITION PLAN REQUIREMENTS.

(a) PURPOSE OF PLAN.—The purpose of the regulations referred to in section 543 shall be to ensure that the members of the Selected Reserve are treated with fairness, with respect for their service to their country, and with attention to the adverse personal consequences of Selected Reserve unit inactivations, involuntary discharges of such members from the reserve components of the Armed Forces, and involuntary transfers of such members from the Selected Reserve.

(b) SCOPE OF PLAN.—The regulations shall include—

(1) such provisions as are necessary to implement the provisions of this subtitle and the amendments made by this subtitle; and

(2) such other policies and procedures for the recruitment of personnel for service in the Selected Reserve of the Ready Reserve, and for the reassignment, retraining, separation, and retirement of members of the Selected Reserve, as are appropriate for satisfying the needs of the Selected Reserve together with the purpose set out in subsection (a).

(c) MINIMUM REQUIREMENTS FOR PLAN.—The regulations shall include the following:

(1) The giving of a priority to personnel referred to in section 543(a) for reassignment to Selected Reserve units not being inactivated.

(2) The giving of a priority to such personnel for transfer among the reserve components of the Armed Forces in order to facilitate reassignment to such units.

(3) A requirement that the Secretaries of the military departments take diligent actions to ensure that members of the reserve components of the Armed Forces are informed in easily understandable terms of the rights and benefits conferred upon such personnel by this subtitle, by the amendments made by this subtitle, and by such regulations.

(4) Such other protections, preferences, and benefits as the Secretary of Defense considers appropriate.

(d) UNIFORM APPLICABILITY.—The regulations shall apply uniformly to the Army, Navy, Air Force, and Marine Corps.

SEC. 545. INAPPLICABILITY TO CERTAIN DISCHARGES AND TRANSFERS.

The protections, preferences, and benefits provided for in regulations prescribed in accordance with this subtitle do not apply with respect to a member of the Selected Reserve who is discharged from a reserve component of the Armed Forces or is transferred from the Selected Reserve to another category of the Ready Reserve, to the Standby Reserve, or to the Retired Reserve—

(1) at the request of the member unless such request was made and approved under a provision of this subtitle or section 1331a of title 10, United States Code (as added by section 547);

(2) because the member no longer meets the qualifications for membership in the Selected Reserve set forth in any provision of law as in effect on the day before the date of the enactment of this Act;

(3) under adverse conditions, as characterized by the Secretary of the military department concerned; or

(4) if the member—

(A) is immediately eligible for retired pay based on military service under any provision of law;

(B) is serving as a military technician, as defined in section 8401(30) of title 5, United States Code, and would be immediately eligible for an unreduced annuity under the provisions of subchapter III of chapter 83 of such title, relating to the Civil Service Retirement and Disability System, or the provisions of chapter 84 of such title, relating to the Federal Employees' Retirement System; or

(C) is eligible for separation pay under section 1174 of title 10, United States Code.

SEC. 546. FORCE REDUCTION PERIOD RETIREMENTS.

(a) TEMPORARY SPECIAL AUTHORITY.—During the period referred to in subsection (b), the Secretary concerned may grant a member of the Selected Reserve under the age of 60 years the annual payments provided for under this section if—

(1) as of October 1, 1991, that member has completed at least 20 years of service computed under section 1332 of title 10, United States Code, or after that date and before October 1, 1995, such member completes 20

years of service computed under that section;

(2) the member satisfies the requirements of paragraphs (3) and (4) of section 1331(a) of title 10, United States Code; and

(3) the member applies for transfer to the Retired Reserve—

(A) in the case of a member who has not received the notice required by section 1331(d) of that title before the date of the enactment of this Act, within one year after receiving such notice; and

(B) in the case of a member who received such a notice before the date of the enactment of this Act, within one year after that date.

(b) PERIOD OF APPLICABILITY.—The period referred to in subsection (a) is, with respect to a member of the Selected Reserve, the force reduction transition period, the period provided under paragraph (3) of that subsection for the member to submit an application, and the period necessary for taking action on that application.

(c) ANNUAL PAYMENT PERIOD.—An annual payment granted to a member under this section shall be paid for 5 years, except that if the member attains 60 years of age during the 5-year period the entitlement to the annual payment shall terminate on the member's 60th birthday.

(d) COMPUTATION OF ANNUAL PAYMENT.—(1) The annual payment for a member shall be equal to the amount determined by multiplying the product of 12 and the applicable percent under paragraph (2) by the monthly basic pay to which the member would be entitled if the member were serving on active duty as of the date the member is transferred to the Retired Reserve.

(2)(A) Subject to subparagraph (B) the percent applicable to a member for purposes of paragraph (1) is 5 percent plus 0.5 percent for each full year of service, computed under section 1332 of title 10, United States Code, that a member has completed in excess of 20 years before transfer to the Retired Reserve.

(B) The maximum percent applicable under this paragraph is 10 percent.

(e) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary concerned may limit the applicability of this section to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(f) NONDUPLICATION OF BENEFITS.—A member transferred to the Retired Reserve under the authority of section 1331a of title 10, United States Code (as added by section 547), may not be paid annual payments under this section.

(g) FUNDING.—To the extent provided in appropriations Acts, payments under this section in a fiscal year shall be made out of amounts available to the Department of Defense for that fiscal year for the pay of reserve component personnel.

(h) HEALTH CARE BENEFITS.—A member of the Retired Reserve receiving annual payments under this section shall be treated as a member of the uniformed services entitled to retired or retainer pay for the purposes of the provisions of chapter 55 of title 10, United States Code.

SEC. 547. RETIREMENT WITH 15 YEARS OF SERVICE.

(a) AUTHORITY.—Chapter 67 of title 10, United States Code, is amended by inserting after section 1331 the following new section:

"§ 1331a. Temporary special retirement qualification authority

"(a) RETIREMENT WITH AT LEAST 15 YEARS OF SERVICE.—For the purposes of section 1331 of this title, the Secretary of a military department may—

"(1) during the period described in subsection (b), determine to treat a member of the Selected Reserve of a reserve component of the armed force under the jurisdiction of that Secretary as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member—

"(A) as of October 1, 1991, has completed at least 15, and less than 20, years of service computed under section 1332 of this title; or

"(B) after that date and before October 1, 1995, completes 15 years of service computed under that section; and

"(2) upon the request of the member submitted to the Secretary within one year after the date of the notification referred to in paragraph (1), transfer the member to the Retired Reserve.

"(b) PERIOD OF AUTHORITY.—The period referred to in subsection (a)(1) is the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1993 and ending on October 1, 1995.

"(c) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) The Secretary of the military department concerned may limit the applicability of subsection (a) to any category of personnel defined by the Secretary in order to meet a need of the armed force under the jurisdiction of the Secretary to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

"(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a) of the National Defense Authorization Act for Fiscal Year 1993.

"(d) EXCLUSION.—This section does not apply to persons referred to in section 1331(c) of this title.

"(e) REGULATIONS.—The authority provided in this section shall be subject to regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1331 the following new item:

"1331a. Temporary special retirement qualification authority.".

SEC. 548. SEPARATION PAY.

(a) ELIGIBILITY.—Subject to section 545, a member of the Selected Reserve who, after completing at least 6 years of service computed under section 1332 of title 10, United States Code, and before completing 15 years of service computed under that section, is involuntarily discharged from a reserve component of the Armed Forces or is involuntarily transferred from the Selected Reserve is entitled to separation pay.

(b) AMOUNT OF SEPARATION PAY.—(1) The amount of separation pay which may be paid to a person under this section is 15 percent of the product of—

(A) the years of service credited to that person under section 1333 of title 10, United States Code; and

(B) 62 times the daily equivalent of the monthly basic pay to which the person would have been entitled had the person been serving on active duty at the time of the person's discharge or transfer.

(2) In the case of a person who receives separation pay under this section and who later receives basic pay, compensation for inactive duty training, or retired pay under any provision of law, such basic pay, compensation, or retired pay, as the case may be, shall be reduced by 75 percent until the total amount withheld through such reduction equals the total amount of the separation pay received by that person under this section.

(c) RELATIONSHIP TO OTHER SERVICE-RELATED PAY.—Subsections (g) and (h) of section 1174 of title 10, United States Code, shall apply to separation pay under this section.

(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations, which shall be uniform for the Army, Navy, Air Force, and Marine Corps, for the administration of this section.

SEC. 549. WAIVER OF CONTINUED SERVICE REQUIREMENT FOR MONTGOMERY GI BILL BENEFITS.

(a) IN GENERAL.—The eligibility of a person referred to in subsection (b)—

(1) to be provided educational assistance under chapter 106 of title 10, United States Code, may not be terminated under section 2134(2) of that title, or

(2) to be provided educational assistance under chapter 30 of title 38, United States Code, may not be terminated under section 3012(a) of that title,

on the basis of the termination of that person's status as a member of the Selected Reserve under the circumstances described in subsection (b).

(b) APPLICABILITY.—Subsection (a) applies to a member of the Selected Reserve who, before completing the years of service in the Selected Reserve agreed to under section 2132(a) of title 10, United States Code, or the years of service required by section 3012(a) of title 38, United States Code, as the case may be, ceases to be a member of the Selected Reserve during the force reduction transition period by reason of the inactivation of his unit of assignment or by reason of involuntarily ceasing to be designated as a member of the Selected Reserve pursuant to section 268(b) of title 10, United States Code.

SEC. 550. COMMISSARY AND EXCHANGE PRIVILEGES.

The Secretary of Defense shall prescribe regulations to authorize a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period to continue to use commissary and exchange stores in the same manner as a member of the Selected Reserve for a period of one year after the later of—

(1) the date on which that person ceases to be a member of the Selected Reserve; or

(2) the date of the enactment of this Act.

SEC. 551. TEMPORARY CONTINUATION OF SERVICEMEN'S GROUP LIFE INSURANCE.

(a) CONTINUED COVERAGE.—For the purposes of section 1968(a) of title 38, United States Code, the 120-day period of coverage provided for under paragraph (4) of such section shall be extended to a 365-day period of coverage in the case of a former member of the Selected Reserve referred to in subsection (b).

(b) ELIGIBILITY.—Subsection (a) applies to a person who involuntarily ceases to be a member of the Selected Reserve during the force reduction transition period and is ready, willing, and able to perform the training described in section 1965(5)(B) of title 38, United States Code.

(c) PAYMENT OF PREMIUMS.—The total amount of the cost attributable to insuring a

person under this section shall be paid from any funds available to the Department of Defense for the pay of reserve component personnel that the Secretary of Defense determines appropriate.

(d) IMPLEMENTATION.—The Secretary of Veterans Affairs shall take any contracting and other actions that are necessary to ensure that the provisions of this section are implemented promptly.

SEC. 552. APPLICABILITY AND TERMINATION OF BENEFITS.

(a) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned may limit the applicability of a benefit provided under sections 548 through 551 to any category of personnel defined by the Secretary concerned in order to meet a need of the armed force under the jurisdiction of the Secretary concerned to reduce the number of members in certain grades, the number of members who have completed a certain number of years of service, or the number of members who possess certain military skills or are serving in designated competitive categories.

(2) A limitation under paragraph (1) shall be consistent with the purpose set forth in section 544(a).

(b) INAPPLICABILITY TO CERTAIN SEPARATIONS AND REASSIGNMENTS.—Sections 548 through 551 do not apply with respect to personnel who cease to be members of the Selected Reserve under adverse conditions, as characterized by the Secretary of the military department concerned.

(c) TERMINATION OF BENEFITS.—The eligibility of a member of a reserve component of the Armed Forces (after having involuntarily ceased to be a member of the Selected Reserve) to receive benefits and privileges under sections 548 through 551 terminates upon the involuntary separation of such member from the Armed Forces under adverse conditions, as characterized by the Secretary of the military department concerned.

MILITARY HEALTH CARE INITIATIVES ACT

The text of the original bill (S. 3144) to amend title 10, United States Code, to improve the health care system provided for members and former members of the Armed Forces and their dependents, and for other purposes, as passed by the Senate on September 18, 1992, is as follows

S. 3144

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 "Military Health Care Initiatives Act of 1992".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 715. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1074c the following new section:

"§ 1074d. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074c the following new item:

"1074d. Reproductive health services in medical facilities of the uniformed services outside the United States.".

NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE CONVERSION AND ASSISTANCE ACT

The text of the original bill (S. 3145) to amend title 10, United States Code, to clarify and improve the policies and programs of the Department of Defense concerning the national defense technology and industrial base; to encourage and assist the conversion of the national defense technology and industrial base to commercially competitive capabilities, and for other purposes, as passed by the Senate on September 18, 1992, is as follows:

S. 3145

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 Technology and Industrial Base Conversion and Assistance Act of 1992".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Defense Conversion Policy for the National Defense Technology and Industrial Base

SEC. 801. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE POLICIES AND PLANNING.

(a) POLICIES AND PLANS FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter 135:

"CHAPTER 135—NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE

"Subchapter	Sec.
"I. Policies and Planning	2261
"II. Dual-Use Technologies	2271
"III. Manufacturing Technology	2281
"IV. Miscellaneous Technology Base Policies and Programs	2291
"V. Definitions	2300

"SUBCHAPTER I—POLICIES AND PLANNING

"Sec.
"2261. Policy.
"2262. National Defense Technology and Industrial Base Council.
"2263. National Defense Technology and Industrial Base Assessment.
"2264. National Defense Technology and Industrial Base Plan.
"2265. National Defense Program for Analysis of the Technology and Industrial Base.

"§ 2261. Policy

"(a) POLICY OBJECTIVES FOR THE NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—It is the policy of Congress that the national defense technology and industrial base be capable of meeting the following national security objectives:

"(1) Supplying and equipping the force structure of the armed forces that is necessary to achieve the objectives set forth in the national security strategy report submitted to Congress by the President pursuant to section 104 of the National Security Act of 1947 (50 U.S.C. 404a), the policy guidance of the Secretary of Defense provided pursuant to section 113(g) of this title, and the multiyear defense program submitted to Congress by the Secretary of Defense pursuant to section 114a of this title.

"(2) Sustaining production, maintenance, repair, and logistics for operations of various durations and intensity.

"(3) Maintaining advanced research and development activities to provide the armed forces with systems capable of ensuring technological superiority over potential adversaries.

"(4) Reconstituting within a reasonable period the capability to develop and produce supplies and equipment, including technologically advanced systems, in sufficient quantities to prepare fully for a major war, major national emergency, or major mobilization of the armed forces before the commencement of that war, national emergency, or mobilization.

"(b) POLICY OBJECTIVES RELATING TO DEFENSE CONVERSION.—It is the policy of Congress that the United States seek to achieve the national defense technology and industrial base objectives set forth in subsection (a) through enhanced opportunities for conversion of defense-dependent businesses and industrial and technology base sectors to dual-use capabilities.

"(c) CIVIL-MILITARY INTEGRATION POLICY.—It is the policy of Congress that the United States attain the national defense technology and industrial base objectives set forth in subsection (a) through acquisition policy reforms that have the following objectives:

"(1) Relying, to the maximum extent practicable, upon the commercial national defense technology and industrial base that is required to meet the national security needs of the United States.

"(2) Reducing the reliance of the Department of Defense on technology and indus-

trial sectors that are economically dependent on Department of Defense business.

"(3) Reducing Federal Government barriers to the use of commercial products, processes, and standards.

"§ 2262. National Defense Technology and Industrial Base Council

"(a) ESTABLISHMENT.—There is a National Defense Technology and Industrial Base Council.

"(b) COMPOSITION.—The Council is composed of the following members:

"(1) The Secretary of Defense, who shall serve as Chairman.

"(2) The Secretary of Energy.

"(3) The Secretary of Commerce.

"(c) RESPONSIBILITIES.—The Council shall have the following responsibilities:

"(1) To provide overall policy guidance and direction to the military departments and the Defense Agencies, to ensure effective cooperation among departments and agencies of the Federal Government, and to provide advice and recommendations to the President, the Secretary of Defense, and the Secretary of Energy concerning—

"(A) the capabilities of the national defense technology and industrial base to meet the national security objectives of the United States;

"(B) programs for achieving the defense conversion objectives set forth in section 2261(b) of this title; and

"(C) changes in acquisition policy that strengthen the national defense technology and industrial base.

"(2) To prepare annually the assessment and plan required by sections 2263 and 2264 of this title, respectively.

"§ 2263. National defense technology and industrial base assessment

"(a) COMPREHENSIVE ASSESSMENT.—The National Defense Technology and Industrial Base Council shall prepare a comprehensive annual assessment of the capability of the national defense technology and industrial base to attain each of the objectives set forth in section 2261 of this title.

"(b) SECTOR CAPABILITY ANALYSIS.—(1) The annual assessment shall include a sector capability analysis composed of the following matters:

"(A) An analysis of the role of each sector in attaining each of the objectives set forth in section 2261 of this title.

"(B) An analysis of the current and projected capability of each sector to attain each such objective for each of the following periods:

"(i) The fiscal year during which the assessment is submitted to Congress pursuant to section 2264(1) of this title.

"(ii) The following fiscal year.

"(iii) The multiyear period covered by the multiyear defense program submitted under section 114a of this title during the fiscal year referred to in clause (i).

"(2) The analysis required by paragraph (1)(B) shall include, for each sector for each period described in paragraph (1)(B), an analysis of the present and projected capabilities of prime contractors, subcontractors, the Defense Industrial Reserve under section 2292 of this title, and departments and agencies of the Federal Government with respect to each of the following:

"(A) Research and development, including research and development regarding the critical technologies identified under subsection (f).

"(B) Application of critical technologies to the production of goods and the furnishing of services.

"(C) Test and evaluation.

"(D) Low rate production.

"(E) High volume production.

"(F) Repair and maintenance.

"(G) Design and prototyping.

"(H) Work force skills and capabilities, including improvements that build on the skill and experience of their work force.

"(c) FOREIGN DEPENDENCY CONSIDERATIONS.—In the preparation of the annual assessment the Council shall consider, for each sector, the following factors:

"(1) The availability of essential raw materials, special alloys, composite materials, components, subsystems, production equipment, facilities, special tooling, and production test equipment for—

"(A) the sustained production of systems fully capable of meeting the performance objectives established for those systems;

"(B) the uninterrupted maintenance and repair of such systems; and

"(C) the sustained operation of such systems.

"(2) The identification of items specified in paragraph (1) that are available only from sources outside the national defense technology and industrial base.

"(3)(A) The availability of alternatives for obtaining such items from within the national defense technology and industrial base if such items become unavailable from sources outside the national defense technology and industrial base.

"(B) An analysis of any military vulnerability that could result from the lack of reasonable alternatives.

"(4) The effects on the national defense technology and industrial base that result from foreign acquisition of firms in the United States.

"(d) FINANCIAL CONDITION ANALYSIS.—(1) The assessment shall include an analysis of the present and projected financial condition of each sector, for each period described in subsection (b)(1)(B).

"(2) In the analysis of the financial condition of each sector, the Council shall specifically consider the following matters:

"(A) Trends in the following:

"(i) Profitability.

"(ii) Levels of capital investment.

"(iii) Expenditures on research and development.

"(iv) Levels of debt.

"(B) The effects of actual and potential commercial sales.

"(C) The consequences of mergers, acquisitions, and takeovers.

"(D) The effects of Department of Defense financial policies, including the following:

"(i) Policies relating to progress payments or other financing by the Department of Defense.

"(ii) Policies relating to the return on contractor investment.

"(iii) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.

"(E) The effects of expenditures in the sector by departments and agencies of the Federal Government other than the Department of Defense and the Department of Energy (for national security programs).

"(F) The analysis required by subsection (e).

"(e) ANALYSIS OF IMPACT OF DEPARTMENT OF DEFENSE REDUCTIONS.—(1) The annual assessment shall include an analysis of the impact of the terminations and significant reductions of major research and development programs and procurement programs of the Department of Defense on the capability of each sector to attain each of the objectives set forth in section 2261 of this title.

"(2) The programs referred to in paragraph (1) are those programs in which a termination or significant reduction in expenditures—

"(A) has taken place in the fiscal year before the fiscal year in which the annual assessment is submitted to Congress pursuant to section 2264(1) of this title; or

"(B) is provided for—

"(i) in the budget submitted pursuant to section 1105(a) of title 31 in that fiscal year; and

"(ii) in the multiyear defense program submitted with such budget pursuant to section 114a of this title.

"(3) In this subsection, the term 'significant reduction', with respect to expenditures for a program for a fiscal year, means that the amount provided for that program for that fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program for that fiscal year is less than the amount provided for that program for the preceding fiscal year in the budget, Acts authorizing appropriations, appropriations Acts, or the multiyear defense program, respectively, for that preceding fiscal year by at least—

"(A) the greater of—

"(i) the amount equal to 10 percent of the amount provided for that preceding fiscal year; or

"(ii) $5,000,000; or

"(B) a lesser amount determined significant by the Secretary of Defense or the Council.

"(f) CRITICAL TECHNOLOGY ANALYSIS.—(1) The annual assessment shall include a critical technology analysis that identifies the product and process technologies that are most critical for attaining the technology and industrial base objectives set forth in section 2261 of this title. The number of technologies so identified may not exceed 20. The analysis shall be prepared in consultation with the Critical Technologies Institute.

"(2) For each technology, the analysis shall include the following:

"(A) The reasons for selection of that technology as a technology critical to the Department of Defense.

"(B) The potential dual-use applications of that technology.

"(C) The relationship between the activities of the Department of Defense and other Federal agencies in the development of that technology.

"(D) The potential contributions that the private sector can be expected to make from its own resources in connection with the development of civilian applications for such technology.

"(E) A comparison of the position of the United States to the positions of other nations in the development of that technology, including the potential contributions that other nations can make to meeting the needs of the United States for that technology.

"(g) SECTOR VIABILITY ANALYSIS.—(1) The annual assessment shall include an analysis, for each of the periods described in subsection (b)(1)(B), of the following matters:

"(A) The extent to which each sector is—

"(i) dependent on defense expenditures to ensure continued viability;

"(ii) dependent on a mix of defense and nondefense Federal Government expenditures to ensure continued viability;

"(iii) dependent on a mix of Federal Government expenditures and other Federal Government programs to ensure continued viability; and

"(iv) sufficiently integrated with the commercial marketplace to ensure continued vi-

ability regardless of the level of Federal Government expenditures in the sector.

"(B) The extent to which each sector is capable of—

"(i) ongoing production with a present capability for high volume production;

"(ii) maintenance of a production base that can be converted to high volume production within a reasonable period of time; or

"(iii) reconstitution of a production base that can reinstate high volume production within a reasonable period of time.

"(2) The analysis shall specifically identify any sectors and any entities within sectors that should be considered for inclusion in the Defense Industrial Reserve under section 2292 of this title.

"(3) In this section:

"(A) The term 'defense expenditure' means an expenditure by—

"(i) the Department of Defense; or

"(ii) the Department of Energy for a national security program.

"(B) The term 'continued viability' means the capability to attain the technology and industrial base objectives set forth in section 2261 of this title.

"(h) ISSUANCE.—The Secretary of Defense shall prescribe by regulation a schedule for the completion of the annual assessment that ensures sufficient time for the consideration of the assessment in the preparation of the annual national defense technology and industrial base plan required by section 2264 of this title.

"§ 2264. National defense technology and industrial base plan

"(a) IN GENERAL.—The National Defense Technology and Industrial Base Council shall prepare an annual plan for ensuring, to the maximum extent practicable, that the policies and programs of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government are planned, coordinated, funded, and implemented in a manner designed to attain each of the technology and industrial base objectives set forth in section 2261 of this title. The Council shall take into account the annual national defense technology and industrial base assessment prepared pursuant to section 2263 of this title in preparing the annual plan.

"(b) SECTOR VIABILITY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for each of the following:

"(1) Programs and policies of the Federal Government that are necessary to ensure the continued viability of each sector that is identified in the annual assessment as being economically dependent in whole or in part upon Federal Government programs or policies.

"(2) Programs and policies of the Federal Government that are necessary in each such sector—

"(A) to reduce each economic dependency of such sector on foreign sources that could create a military vulnerability; and

"(B) to provide for alternative sources in the event that the foreign sources become unavailable.

"(3) The composition and management of the Defense Industrial Reserve under section 2292 of this title.

"(c) MANUFACTURING TECHNOLOGY GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for the following:

"(1) The National Defense Manufacturing Technology Program established under section 2281 of this title.

"(2) The support of manufacturing extension programs under section 2283 of this title.

"(3) Programs to enhance basic research in scientific disciplines relating to manufacturing technology through—

"(A) encouraging research in colleges and universities in the United States and in associated centers of excellence; and

"(B) establishing technology transfer mechanisms, and technology education and training mechanisms, that ensure that the results of such research are readily available to United States industry.

"(4) Programs for encouraging the use of computer-integrated manufacturing to improve manufacturing quality, reduce manufacturing costs, reduce production lead times, and improve maintenance.

"(5) Programs for enhancing Department of Defense use of concurrent engineering practices in the design and development of weapon systems.

"(6) Programs providing incentives for firms in the national defense technology and industrial base to use advanced manufacturing technology and processes and to invest in improved productivity.

"(7) Programs for encouraging research in colleges and universities and in other technology development and extension programs in the United States for the development of work systems that build on worker's skill and experience.

"(8) Programs for assisting in the transition to high performance work systems, including ongoing worker involvement in the evaluation, selection, and installation and operation of production technologies and associated organization or work.

"(d) CRITICAL TECHNOLOGIES GUIDANCE.—For each defense critical technology, the plan shall contain the following:

"(1) Specific guidance, including goals, milestones, and priorities, with respect to the development of the technology.

"(2) The specific funding requirements of the Department of Defense, the Department of Energy, and other departments and agencies of the Federal Government for the development of the technology for the 5 fiscal years following the fiscal year in which the plan is submitted pursuant to subsection (l).

"(3) A designation of the lead organization within the Department of Defense or the Department of Energy to be responsible for the development of the technology.

"(4) A summary description of the lead organization's plan for the development of the technology, including the milestone goals.

"(e) INTEGRATED FINANCING GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to ensure that the financial policies of the Department of Defense and Department of Energy (for national security programs), including the policies identified in section 2263(d)(2)(D) of this title, are designed to meet the industrial and technology base policies set forth in section 2261 of this title.

"(f) CIVIL-MILITARY INTEGRATION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to encourage the effective integration of commercial products and processes into Federal Government acquisition practices with respect to the following:

"(1) Expanding the use of commercial specifications in place of Federal Government specifications.

"(2) Increasing the use of commercial manufacturing processes instead of processes specified by the Federal Government.

"(3) Reducing the extent of unique government regulatory requirements relating to accounting and acquisition.

"(4) Identifying and ensuring the effective application by the Department of Defense and the Department of Energy (for national security programs) of research, technologies, products, information, and practices developed by other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(5) Identifying effective mechanisms for transferring technology and related information, to the maximum extent practicable, from the Department of Defense and Department of Energy to other departments and agencies of the Federal Government, State and local governments, colleges and universities, nonprofit organizations, and commercial enterprises.

"(6) Ensuring, to the maximum extent practicable, that technology and related information are so transferred.

"(g) DEFENSE CONVERSION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for providing sectors and businesses at least partially dependent economically on national security expenditures with Federal Government assistance to convert from that dependence to economic viability without such dependence.

"(h) TECHNOLOGY AND INDUSTRIAL BASE WORK FORCE GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, to enhance the skills and capabilities of the work force, including high performance, high quality, and high flexibility production, in the national defense technology and industrial base.

"(i) MAJOR PROGRAM ACQUISITION GUIDANCE.—The plan shall provide specific guidance, including goals, milestones, and priorities, for enhancing the effectiveness of the major defense acquisition program regulations prescribed pursuant to section 2439 of this title.

"(j) ACQUISITION REFORM GUIDANCE.—(1) The plan shall include any recommended legislation that the Council considers appropriate for eliminating any adverse effect of Federal law on the capability of the national defense technology and industrial base to attain the objectives set forth in section 2261 of this title.

"(2) The plan shall provide specific guidance to ensure that maximum use is made of authority to waive regulations or conduct test programs in pursuit of such objectives.

"(k) FUNDING.—The plan shall ensure effective implementation of the guidance issued under this section by establishing funding priorities for each area of guidance identified under subsections (b) through (h) for each of the periods described in section 2263(b)(1)(B) of this title.

"(l) ISSUANCE.—(1) The Secretary of Defense shall provide the annual plan to the Secretaries of the military departments and the heads of the other elements of the Department of Defense not later than the date on which the Secretary provides such officials with the guidance required by section 113(g)(1) of this title. The Secretary of Energy and the Secretary of Commerce shall provide such guidance to appropriate officials within their respective departments.

"(2) The Secretary of Defense shall transmit to Congress, not later than March 31 of each year—

"(A) the plan prepared under this section, including any changes necessary to reflect

the budget submitted by the President during that year under section 1105 of title 31; and

"(B) the national defense technology and industrial base assessment prepared pursuant to section 2263 of this title that pertains to such plan and budget.

"(3) The plan and assessment shall be submitted to Congress in classified and unclassified forms. Proprietary information that may be withheld from disclosure under section 552 of title 5 shall be provided only in the classified version.

"§ 2265. National Defense Program for Analysis of the Technology and Industrial Base

"(a) ESTABLISHMENT.—(1) The National Defense Technology and Industrial Base Council shall establish at an entity described in paragraph (3) a program to be known as the 'National Defense Program for Analysis of the Technology and Industrial Base'.

"(2) The Program shall be an element of the defense acquisition university structure established under section 1746 of this title.

"(3) As determined by the Chairman of the Council, the Program shall be administered by —

"(A) an existing federally funded research and development center;

"(B) a consortium of existing federally funded research and development centers and other nonprofit entities; or

"(C) another appropriate private sector research entity.

"(4) The Chairman shall ensure that there is appropriate consultation and coordination between the Program and the Critical Technologies Institute.

"(b) OVERSIGHT COMMITTEE.—The Program shall have an oversight committee composed of 3 members as follows:

"(1) The Under Secretary of Defense for Acquisition, or his designee, who shall serve as Chairman of the operating committee.

"(2) An official designated by the Secretary of Energy.

"(3) An official designated by the Secretary of Commerce.

"(c) MISSIONS.—The missions for the Program shall include, with respect to the national defense technology and industrial base, the following:

"(1) The assembly of timely and authoritative information.

"(2) Initiation of studies and analyses.

"(3) Provision of technical support and assistance to—

"(A) the Council in the preparation of the annual assessment required by section 2263 of this title and the annual plan required by section 2264 of this title;

"(B) the defense acquisition university structure and its elements; and

"(C) other departments and agencies of the Federal Government in accordance with guidance established by the Council.

"(4) Dissemination, through the National Technical Information Service of the Department of Commerce, of unclassified information and assessments for further dissemination within the Federal Government and to the private sector.".

(b) TECHNOLOGY AND INDUSTRIAL BASE PLANNING FOR MAJOR DEFENSE PROGRAMS.—(1) Chapter 144 of title 10, United States Code, is amended by inserting after section 2438 the following new section:

"§ 2439. Major programs: technology and industrial base plans

"(a) ACQUISITION PLAN REQUIREMENTS.—The Secretary of Defense shall prescribe regulations requiring consideration of the national defense technology and industrial base in the development and implementation of acquisition plans for each major defense acquisition program.

"(b) CONTENT OF ACQUISITION PLANS.—The acquisition plan for each major defense acquisition program shall include provisions for the following:

"(1) An analysis of the capabilities of the national defense technology and industrial base to develop, produce, maintain, and support such program, including consideration of the factors set forth in section 2263(c) of this title.

"(2) Consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the program.

"(3) The use of advanced manufacturing technology, processes, and systems during the research and development phase and the production phase of the program.

"(4) To the maximum extent practicable, the use of contract solicitations that encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life-cycle costs.

"(5) Encouragement of investment by United States domestic sources in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment, processes, and organization of work systems that build on workers' skill and experience, and work force skill development in the development of the contract objective; and

"(B) increased emphasis in source selections on the efficiency of production.

"(6) Expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense.

"(7) Elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under Department of Defense contracts.

"(8) Expanded use of commercial products as set forth in section 2325 of this title.".

(2) The table of sections at the beginning of that chapter is amended by inserting after the item relating to section 2438 the following new item:

"2439. Major programs: technology and industrial base plans.".

(c) IMPLEMENTATION.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations, including milestones for actions, to ensure the timely and thorough collection of information, completion of assessments, and issuance of plans required by the provisions of subchapter I of chapter 135 of title 10, United States Code, as added by subsection (a).

(2)(A) The first annual assessment required by section 2263 of such title shall be completed not later than September 30, 1993.

(B) The first annual plan required by section 2264 of such title shall be completed not later than November 15, 1993.

(C) The Secretary may prescribe regulations authorizing the presentation of information in a preliminary form in the first annual assessment and the first annual plan to the extent that the necessary information cannot reasonably be collected, analyzed, or presented in accordance with section 2263 or 2264, respectively, of title 10, United States Code, by the dates specified in subparagraphs (A) and (B).

(3) The National Defense Technology and Industrial Base Council shall establish the National Defense Center for Analysis of the Technology and Industrial Base not later than 6 months after the date of the enactment of this Act. The Secretary of Defense shall ensure that a contract solicitation is issued and a contract is awarded in a timely manner to facilitate the establishment of the Center within the period set forth in the preceding sentence.

SEC. 802. DEFENSE DUAL-USE TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) DEFENSE DUAL-USE TECHNOLOGIES.—(1) Chapter 135 of title 10, United States Code (as added by section 801(a)), is amended by adding after subchapter II the following:

"SUBCHAPTER II—DUAL-USE TECHNOLOGIES

"Sec.
"2271. Defense dual-use critical technology partnerships.
"2272. Commercial-military integration partnerships.
"2273. Regional technology alliances assistance program.
"2274. Office for Foreign Defense Critical Technology Monitoring and Assessment.
"2275. Overseas foreign critical technology monitoring and assessment financial assistance program.
"2276. Encouragement of technology transfer.".

(2) Section 2523 of title 10, United States Code, (relating to defense dual-use critical technology partnerships) is—

(A) transferred to subchapter II of chapter 135 of such title (as added by paragraph (1));

(B) inserted following the table of sections; and

(C) redesignated as section 2271.

(3) Subchapter II of such chapter, as added by paragraph (1) and amended by paragraph (2), is further amended by inserting after section 2271 the following new section:

"§ 2272. Commercial-military integration partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense shall conduct a program providing for the establishment of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between the Department of Defense and entities referred to in section 2271(b) of this title in order to encourage and provide for research, development, and application of technologies to attain the national defense technology and industrial base objectives set forth in section 2261 of this title.

"(b) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, and enter into cooperative agreements and other transactions pursuant to section 2371 of this title in order to establish the partnerships.

"(2) The Secretary may not enter into a partnership under this section for a period longer than 5 years.

"(3) The Secretary may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section, subject to the limitations in subsection (c).

"(c) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Secretary under a partnership does not exceed maximum authorized percentage of the total cost of partnership activities.

"(2) The maximum authorized percentage of Federal Government funding referred to in paragraph (1) for each year of a partnership is as follows:

"(A) 50 percent in the first year.
"(B) 40 percent in the second year.
"(C) 30 percent in the third year.
"(D) 20 percent in the fourth year.
"(E) 10 percent in the fifth year.

"(3)(A) The Secretary shall prescribe regulations to provide for consideration of in-kind contributions by non-Federal Government participants in a partnership for the purpose of determining the share of the partnership costs that has been or is being undertaken by such participants.

"(B) The regulations shall also ensure that the in-kind contributions of nonprofit institutions and small businesses are considered included, to the maximum extent practicable, in the non-Federal Government share of the cost of the partnership.

"(d) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(e) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the following:

"(1) The extent to which the program proposed to be conducted by the partnership advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program proposed to be conducted by the partnership.

"(3) The qualifications of the personnel proposed to participate in the partnership's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(5) The potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for the industrial and technology base.

"(6) The extent of the financial commitment of the eligible firms to the proposed partnership.

"(7) The likelihood that the partnership will develop technologies that are sufficiently viable in the commercial sector so that such technologies will be available to meet the future reconstitution requirements and other needs of the Department of Defense described in the annual national defense technology and industrial base plan prepared under section 2264 of this title.

"(8) The likelihood that, within 5 years after the establishment of the partnership (or a lesser period established by the Secretary), Federal Government funding of the partnership will not be necessary.

"(9) Such other criteria as the Secretary prescribes.

"(f) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense and the Under Secretary of Defense for Acquisition, the Director of Defense Research and Engineering shall perform the duties of the Secretary of Defense under this section.".

(4) Section 2524 of title 10, United States Code (relating to critical technology application centers) is—

(A) transferred to subchapter II of chapter 135, as added by paragraph (1) and amended by paragraphs (2) and (3);

(B) inserted at the end of that subchapter; and

(C) amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2273. Regional technology alliances assistance program";

(ii) by striking out "regional critical technology application centers" in subsection (a) and inserting in lieu thereof "regional technology alliances";

(iii) by striking out "regional critical technology application center" in subsection (b) and inserting in lieu thereof "regional technology alliance";

(iv) by striking out "critical technology application center" and "center" each time such terms appear and inserting in lieu thereof "regional technology alliance"; and

(v) by striking out "2523" in subsection (g) and inserting in lieu thereof "2271".

(5) Section 2525 of title 10, United States Code (relating to the Office for Foreign Defense Critical Technology Monitoring and Assessment), and section 2526 of such title (relating to the overseas foreign critical technology monitoring and assessment financial assistance programs) are—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (2) through (4);

(B) inserted at the end of that subchapter; and

(C) redesignated as sections 2274 and 2275, respectively.

(6) Subsection (a) of section 2274 of such title (as redesignated by paragraph (5)) is amended by inserting "Critical" after "Foreign Defense".

(7) Section 2363 of title 10, United States Code (relating to encouragement of technology transfer), is—

(A) transferred to subchapter II of chapter 135 of such title, as added by paragraph (1) and amended by paragraphs (1) through (5);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2276.

(b) FUNDING.—Of the amounts authorized to be appropriated under section 201—

(1) $100,000,000 shall be available for defense dual-use critical technology partnerships;

(2) $50,000,000 shall be available for commercial-military integration partnerships;

(3) $100,000,000 shall be available for defense regional technology alliances; and

(4) $2,000,000 shall be available for the overseas critical technology monitoring and assessment financial assistance program.

SEC. 803. ESTABLISHMENT OF OFFICE OF TECHNOLOGY TRANSITION.

(a) ESTABLISHMENT.—(1) Subchapter II of chapter 135 of title 10, United States Code (as added by section 802), is amended by adding at the end the following:

"§ 2277. Office of Technology Transition

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish within the Office of the Secretary of Defense an Office of Technology Transition.

"(b) PURPOSE.—The purpose of the Office shall be to ensure, to the maximum extent practicable, that technology developed for national security purposes is integrated into the private sector of the United States in order to enhance the national defense technology and industrial base.

"(c) SPECIFIC DUTIES.—The head of the Office shall ensure that the Office—

"(1) monitors all research and development activities that are carried out by or for the military departments and Defense Agencies, including research and development that is conducted by or for—

"(A) the Strategic Defense Initiative Organization;

"(B) the Advanced Research Projects Agency; and

"(C) the Defense Nuclear Agency;

"(2) identifies all such research and development activities that use technologies, or result in technological advancements, having potential nondefense commercial applications;

"(3) serves as a clearinghouse for, coordinates, and otherwise actively facilitates the transition of such technologies and technological advancements from the Department of Defense to the private sector;

"(4) conducts its activities in consultation and coordination with the Department of Energy; and

"(5) provides private firms with assistance to resolve problems associated with security clearances, proprietary rights, and other legal considerations involved in such a transition of technology.

"(d) REPORTING REQUIREMENT.—The Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives an annual report on the activities of the Office at the same time that the budget is submitted to Congress by the President pursuant to section 1105 of title 31. The report shall contain a discussion of the accomplishments of the Office during the fiscal year preceding the fiscal year in which the report is submitted.".

(2) The table of sections at the beginning of subchapter II of such chapter (as added by section 802) is amended by inserting after the item relating to section 2276 the following:

"2277. Office of Technology Transition.".

(b) SCHEDULE FOR ESTABLISHMENT.—The Office of Technology Transition shall commence operations within 180 days after the date of the enactment of this Act.

(c) REPORTING REQUIREMENTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the establishment of the Office of Technology Transition. The report shall contain a description of the organization of the Office, the staffing of the Office, and the activities undertaken by the Office.

(2) Notwithstanding section 2277(d) of title 10, United States Code (as added by subsection (a))—

(A) the first report under that section shall be submitted not later than 1 year after the date of the enactment of this Act; and

(B) no additional report is necessary under that section in the fiscal year in which such first report is submitted.

SEC. 804. DEFENSE DUAL-USE MANUFACTURING TECHNOLOGY PROGRAMS.

(a) NATIONAL DEFENSE MANUFACTURING TECHNOLOGY PROGRAM.—(1) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802 and 803, is further amended by adding after subchapter II the following new subchapter:

"SUBCHAPTER III—MANUFACTURING TECHNOLOGY

"Sec.
"2281. National Defense Manufacturing Technology Program.
"2282. Defense advanced manufacturing technology partnerships.
"2283. Manufacturing extension programs.

"§ 2281. National Defense Manufacturing Technology Program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall establish a National Defense Manufacturing Technology Program to—

"(1) provide centralized guidance and direction, including goals, milestones, and priorities, to the military departments and the

Defense Agencies on all matters relating to manufacturing technology;

"(2) direct the development and implementation of Department of Defense plans, programs, projects, activities, and policies that promote the development and application of advanced technologies to manufacturing processes, tools, and equipment;

"(3) improve the manufacturing quality, productivity, technology, and practices of businesses and workers providing goods and services to the Department of Defense;

"(4) promote dual-use manufacturing processes;

"(5) disseminate to such businesses information concerning improved manufacturing improvement concepts, including information on such matters as best manufacturing practices, product data exchange specifications, computer-aided acquisition and logistics support, and rapid acquisition of manufactured parts;

"(6) sustain and enhance the skills and capabilities of the manufacturing work force;

"(7) promote high-performance work systems, with development and dissemination of production technologies that build upon the skills and capabilities of the work force, high levels of worker education and training, and work force participation in the evaluation, selection, and implementation of new production technologies; and

"(8) ensure appropriate coordination between the manufacturing technology programs and industrial preparedness programs of the Department of Defense and similar programs undertaken by other departments and agencies of the Federal Government or by the private sector.

"(b) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE PLAN.—The Secretary shall ensure that the program is developed and implemented in accordance with the manufacturing technology guidance set forth in the national defense technology and industrial base plan prepared under section 2264 of this title.

"(c) ANNUAL REVISIONS.—The Secretary shall revise the program not later than March 15 of each year. Each revision shall identify each manufacturing technology program, project, or activity of the Department of Defense and the amounts provided for each such program, project, and activity in the budget submitted by the President under section 1105 of title 31 for the fiscal year beginning in that year.

"(d) PROGRAM LIMITATION.—A manufacturing technology program, project, or activity of the Department of Defense may be conducted only to the extent provided for in the National Defense Manufacturing Technology Program. However, such a program, project, or activity may be conducted in excess of the limitation in the preceding sentence if it is designated by the Secretary of Defense as a higher priority matter.

"(e) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.".

(2) Section 203(d) of the National Defense Authorization Act for Fiscal Year 1992 and 1993 (Public Law 102-190; 105 Stat. 1315) is repealed.

(b) DEFENSE ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.—(1) Section 2518 of title 10, United States Code (relating to defense advanced manufacturing technology partnerships), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1);

(B) inserted at the end of that subchapter;

(C) redesignated as section 2282; and

(D) amended in subsection (d)(1) by striking out "section 2523(f)" and inserting in lieu thereof "section 2271(f)".

(2) Of the amounts made available pursuant to section 203(4), $25,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2282 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(c) MANUFACTURING TECHNOLOGY EXTENSION PROGRAMS.—(1) Section 2517 of title 10, United States Code (relating to manufacturing extension programs), is—

(A) transferred to subchapter III of chapter 135 of such title, as added by subsection (a)(1) and amended by subsection (b);

(B) inserted at the end of that subchapter; and

(C) redesignated as section 2283.

(2) Of the amounts authorized to be appropriated under section 201, $100,000,000 shall be available for support of manufacturing technology extension programs under section 2283 of title 10, United States Code, as transferred and redesignated by paragraph (1).

(d) DEFENSE MANUFACTURING ENGINEERING EDUCATION PROGRAM.—Of the amounts authorized to be appropriated under section 201, $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of title 10, United States Code.

(e) DEFENSE MANUFACTURING EXPERTS IN THE CLASSROOM PROGRAM.—(1)(A) Section 2197 of title 10, United States Code, is amended—

(i) by striking out the section heading and inserting in lieu thereof the following:

"§ 2197. Manufacturing experts in the classroom";

(ii) in subsection (a), by striking out "managers and" in the matter above paragraph (1); and

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

"(e) MANUFACTURING EXPERT DEFINED.—In this section, the term 'manufacturing expert' means manufacturing managers and workers having experience in the organization of production and education and training needs and other experts in manufacturing.".

(B) The table of sections at the beginning of chapter 111 of such title is amended by striking out the item relating to section 2197 and inserting in lieu thereof the following:

"2197. Manufacturing experts in the classroom.".

(2) Of the amounts authorized to be appropriated under section 201, $5,000,000 shall be available for the manufacturing experts in the classroom program under section 2197 of title 10, United States Code.

SEC. 805. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE DUAL-USE ASSISTANCE EXTENSION PROGRAMS.

(a) EXTENSION PROGRAMS.—Chapter 135 of title 10, United States Code, as added by section 801(a) and as amended by sections 802, 803, and 804, is further amended by adding at the end the following:

"SUBCHAPTER IV—MISCELLANEOUS TECHNOLOGY BASE POLICIES AND PROGRAMS

"Sec.
"2291. Defense dual-use assistance extension program.
"2292. Defense Industrial Reserve.

"§ 2291. Defense dual-use assistance extension program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Energy and the Secretary of Commerce, shall establish a program to achieve the national defense technology and industrial base objectives set forth in section 2261 of this title by providing support to entities referred to in subsection (b) for programs described in that subsection.

"(b) PROGRAMS SUPPORTED.—The Secretary may provide support under this section for programs sponsored by the Federal Government, regional entities, States, local governments, and private entities and nonprofit organizations that assist firms whose businesses and workers economically dependent on Department of Defense expenditures to acquire dual-use capabilities through the provision under those programs of the following services:

"(1) Assistance in converting from government-oriented management, production, training, business planning, and marketing practices to commercial practices.

"(2) Assistance in making improvements necessary for conversion to commercial markets and practices and in acquiring and using public and private sector resources, literature, and other information concerning—

"(A) research, development, and production processes and practices;

"(B) identification and development of technologies and products having the potential for defense and nondefense commercial applications;

"(C) marketing practices and opportunities;

"(D) identification of potential suppliers, partners, and subcontractors;

"(E) identification of opportunities for government support, including support through grants, contracts, partnerships and consortia;

"(F) enhancement of work force skills and capabilities, including development and introduction of high performance workplace systems, employee and participative management systems, workforce literacy programs, programs to encourage employee ownership, worker education and training, work force participation in the evaluation, selection, and implementation of new production technologies; and

"(G) trade and export assistance.

"(c) ASSISTANCE AUTHORIZED.—(1) The Secretary may make grants, enter into contracts, enter into cooperative agreements and other transactions pursuant to section 2371 of this title, and transfer funds to another department or agency of the Federal Government in carrying out this section.

"(2) Subject to subsection (d), the Secretary may provide a program referred to in subsection (b) with technical and other assistance.

"(d) FINANCIAL COMMITMENT OF NON-DEPARTMENT OF DEFENSE PARTICIPANTS.—(1) The Secretary shall ensure that the amount of funds provided by the Department of Defense for a program under this section does not exceed the maximum authorized percentage of the combined amount provided by the Department of Defense and all other sources of funding for the program for any year.

"(2) The maximum authorized percentage of Department of Defense funding referred to in paragraph (1) for each year of Department of Defense assistance for a program under this section is as follows:

"(A) 50 percent in the first year.

"(B) 40 percent in the second year.

"(C) 30 percent in the third and following years.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the selection of pro-

grams to receive assistance under this section.

"(f) SELECTION CRITERIA.—The criteria for the selection of a program to receive assistance under this section shall include the following:

"(1) The extent to which the program advances and enhances the national defense industrial and technology base objectives set forth in section 2261 of this title.

"(2) The technical excellence of the program.

"(3) The qualifications of the personnel proposed to participate in the program's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities that is sufficient to achieve the goals and objectives of the programs.

"(5) The potential effectiveness of the program in the conversion of businesses, including their work forces from capabilities that make the companies economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

"(6) The ability of the program to assist businesses, including their work forces, adversely affected by significant reductions in Department of Defense spending.

"(7) The extent of the financial commitment by sources other than the Department of Defense.

"(8) The extent to which the program would supplement, rather than duplicate, other available services.

"(9) The likelihood that, within 5 years after the commencement of assistance for a program under this section (or a lesser period established by the Secretary), Department of Defense assistance will not be necessary to sustain the program.

"(10) Such other criteria as the Secretary prescribes.

"(g) DELEGATION OF AUTHORITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall perform the duties of the Secretary of Defense under this section.

"(h) TERMINATION OF AUTHORITY.—This section shall cease to be effective on September 30, 1997.".

(b) FUNDING.—(1) Of the amounts authorized to be appropriated under section 201, $200,000,000 shall be available for defense dual-use extension programs under section 2291 of title 10, United States Code (as added by subsection (a)), of which not less than $50,000,000 shall be made available to regional, State, and local government programs.

(2) Of funds authorized to be appropriated to the Department of Defense for fiscal year 1993 by this Act, the Secretary may transfer not more than $50,000,000 to the appropriations made available for the support of defense dual-use extension programs under such section 2291. Amounts so transferred shall be merged with, and be available for the same purpose and the same period as, the appropriations to which transferred. The authority to transfer funds under this paragraph is in addition to any other transfer authority provided for the Secretary of Defense under this or any other Act.

SEC. 806. ADDITIONAL STATUTORY REORGANIZATION.

(a) TECHNOLOGY AND INDUSTRIAL BASE AMENDMENTS.—(1)(A) Subchapter IV of chapter 135 of title 10, United States Code, as added by section 805, is amended by adding at the end, without text, the following new section:

"§ 2292. Defense Industrial Reserve".

(B) The text of section 2 of the Defense Industrial Reserve Act (50 U.S.C. 451) is—

(i) transferred to section 2292;

(ii) inserted below the section heading; and

(iii) amended by striking out "In enacting this Act, it" and inserting in lieu thereof the following: "(a) DECLARATION OF PURPOSE AND POLICY.—It".

(C) The text of section 4 of that Act (50 U.S.C. 453) is—

(i) transferred to section 2292;

(ii) inserted following subsection (a), as designated in the amendment made by subparagraph (B)(iii); and

(iii) amended—

(I) by striking out "(a) To execute the policy set forth in this Act," and inserting in lieu thereof the following: "(b) POWERS AND DUTIES OF THE SECRETARY OF DEFENSE.—(1) To execute the policy set forth in this section,";

(II) by striking out "(1) determine" and inserting in lieu thereof "(A) determine";

(III) by striking out "(2) designate" and inserting in lieu thereof "(B) designate";

(IV) by striking out "(3) establish" and inserting in lieu thereof "(C) establish";

(V) by striking out "(4) direct" and inserting in lieu thereof "(D) direct";

(VI) by striking out "(5) direct" and inserting in lieu thereof "(E) direct";

(VII) by striking out "(6) authorize" and inserting in lieu thereof "(F) authorize";

(VIII) by striking out "(7) authorize" and all that follows through "(B) such institution" and inserting in lieu thereof "(G) authorize and regulate the lending of any such property to any nonprofit educational institution or training school whenever (i) the program proposed by such institution or school for the use of such property will contribute materially to national defense, and (ii) such institution";

(IX) by striking out "(b)(1) The Secretary" and inserting in lieu thereof "(2)(A) The Secretary";

(X) by striking out "(A) storage" and inserting in lieu thereof "(i) storage";

(XI) by striking out "(B) repair" and inserting in lieu thereof "(ii) repair";

(XII) by striking out "(C) overhead" and inserting in lieu thereof "(iii) overhead"; and

(XIII) by striking out "(2) The Secretary of Defense shall prescribe regulations" and inserting in lieu thereof "(B) The Secretary of Defense shall prescribe regulations".

(D) The text of section 3 of that Act (50 U.S.C. 452) is—

(i) transferred to section 2292;

(ii) inserted following subsection (b), as designated in the amendment made by subparagraph (C)(iii)(I); and

(iii) amended by striking out "As used in this Act--" and inserting in lieu thereof "(c) DEFINITIONS.—In this section:".

(2)(A) Chapter 135 of title 10, United States Code, as added by section 801(a) and amended by sections 802, 803, 804, and 805 and by paragraph (1), is further amended by inserting at the end the following subchapter:

"SUBCHAPTER V—DEFINITIONS

"Sec.
"2300. Definitions.

"§ 2300. Definitions

"In this chapter:

"(1) The term 'national defense technology and industrial base' means the persons and organizations that are engaged in research, development, production, or maintenance activities the majority of which are conducted within the United States and Canada.

"(2) The term 'dual-use' with respect to products, services, standards, processes, or acquisition practices, means products, services, standards, processes, or acquisition practices, respectively, that are capable of meeting requirements for private sector commercial acquisitions as well as public sector acquisitions.

"(3) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(4) The terms 'technology and industrial base sector' and 'sector' mean a group of public or private persons and organizations that engage in, or are capable of engaging in, similar research, development, or production activities.

"(5) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(6) The term 'critical technology' means a technology that is—

"(A) a national critical technology; or

"(B) a defense critical technology.

"(7) The term 'national critical technology' means a technology that appears on the list of national critical technologies contained in the most recent biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)).

"(8) The term 'defense critical technology' means a technology that appears on the list of critical technologies contained, pursuant to subsection (f) of section 2263 of this title, in the most recent national defense technology and industrial base assessment submitted to Congress by the Secretary of Defense pursuant to section 2264(1) of this title.

"(9) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.

Such term includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(10) The term 'manufacturing technology' means techniques and processes designed to improve manufacturing quality, productivity, and practices, including quality control, shop floor management, inventory management, and worker training, as well as manufacturing equipment and software.

"(11) The term 'manufacturing extension program' means a public or private, nonprofit program for the improvement of the quality, productivity, and performance of United States-based small manufacturing firms in the United States.

"(12) The term 'United States-based small manufacturing firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees; and

"(C) is an eligible firm.".

(B) Until the first annual national defense technology and industrial base assessment is submitted to Congress by the Secretary of Defense pursuant to section 2264(1) of title 10, United States Code (as added by section 801(a)), the reference to the most recent such assessment in section 2300(8) of such title (as added by subparagraph (A)) shall be deemed to refer to the most recent annual critical defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of such title as in effect on the date of the enactment of this Act.

(3) The annual national defense technology and industrial base assessment submitted to Congress pursuant to section 2264(1) of title 10, United States Code (as added by section 801(a)), during each year through 1995 shall include a specific assessment of the capability of the domestic textile and apparel industrial base of the United States to support national defense mobilization requirements. Each such assessment shall include the following:

(A) An identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by domestic industries.

(B) An assessment of the effect that any inadequacy in the textile and apparel industrial base would have on a mobilization.

(C) Recommendations for ways to alleviate any such inadequacy that the Secretary considers critical to national defense mobilization requirements.

(b) CONFORMING REORGANIZATION OF TITLE 10.—(1) Part IV of subtitle A of title 10, United States Code, is amended—

(A) by redesignating the chapter 135 (relating to encouragement of aviation) in effect on the day before date of the enactment of this Act as chapter 151; and

(B) by transferring such chapter, as so redesignated, within part IV of such subtitle so as to appear in sequence immediately before chapter 152.

(2) Such chapter is amended as follows:

(A) Sections 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, and 2279 are redesignated as 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, and 2539, respectively.

(B) Subsection (a) of section 2532, as so redesignated, is amended by striking out "section 2271" and inserting in lieu thereof "section 2531".

(C) Subsection (a) of section 2533, as so redesignated, is amended by striking out "section 2272" and inserting in lieu thereof "section 2532".

(D) Subsection (b) of section 2534, as so redesignated, is amended by striking out "sections 2272(f) and 2279 of this title but are not subject to section 2271(a)–(d) and 2272(a)" and inserting in lieu thereof "sections 2532(f) and 2539 of this title but are not subject to section 2531(a)–(d) and 2532(a)".

(c) TRANSFERS OF SECTIONS.—(1) Section 2504 of title 10, United States Code, is—

(A) transferred to subchapter II of chapter 138 of such title;

(B) inserted at the end of that subchapter;

(C) redesignated as 2350j; and

(D) amended in subsection (a)(1) by striking out "defense industrial base" and inserting in lieu thereof "defense technology and industrial base".

(2) Section 2505 of such title is—

(A) transferred to chapter 141 of such title, as amended by section 363 of this Act;

(B) inserted at the end of that chapter; and

(C) redesignated as section 2410d.

(3) Section 2507 of such title is—

(A) transferred to chapter 141 of such title, as amended by paragraph (2);

(B) inserted at the end of that chapter; and

(C) amended—

(i) by striking out subsection (c); and

(ii) by striking out the section heading and inserting in lieu thereof the following:

"§ 2410e. Miscellaneous limitations on the procurement of goods other than United States goods".

(4)(A) Section 2506 of such title is amended—

(i) in subsection (a)—

(I) by striking out "(a) Funds" and inserting in lieu thereof "(c) PROCUREMENT OF NON-AMERICAN GOODS GENERALLY.—(1) Funds";

(II) by striking out "(as defined in subsection (c))" in the matter above paragraph (1); and

(III) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively;

(ii) in subsection (b), by striking out "(b) Consideration of the matters referred to in paragraphs (1) through (6) of subsection (a)" and inserting in lieu thereof "(2) Consideration of the matters referred to in subparagraphs (A) through (F) of paragraph (1)"; and

(iii) in subsection (c)—

(I) by striking out "(c) In this section," and inserting in lieu thereof "(3) In this subsection,"; and

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

(B) The text of such section, as so amended, is transferred to section 2410e of title 10, United States Code, as added by paragraph (3), and is inserted following subsection (b) of that section.

(d) CONFORMING REPEALS.—(1) Section 2330 of title 10, United States Code, is repealed.

(2)(A) Part IV of subtitle A of such title is amended by striking out chapters 148, 149, and 150.

(B) The tables of chapters at the beginning of subtitle A of such title and part IV of such subtitle are amended by striking out the items relating to chapters 148, 149, and 150.

(3) The Defense Industrial Reserve Act (50 U.S.C. 450 et seq.) is repealed.

(e) TABLES OF SECTIONS.—(1) The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2330.

(2) The table of sections at the beginning of subchapter II of chapter 138 of such title is amended by adding at the end the following:

"2350j. Defense memoranda of understanding and related agreements.".

(3) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2363.

(4) The table of sections at the beginning of chapter 141 of such title, as amended by section 363 of this Act, is further amended by adding at the end the following:

"2410d. Offset policy: notification.

"2410e. Miscellaneous limitations on the procurement of goods other than United States goods.".

SEC. 807. SMALL BUSINESS INNOVATION RESEARCH PROGRAM IN THE DEPARTMENT OF DEFENSE.

(a) AMOUNTS AVAILABLE.—For each fiscal year after fiscal year 1993, funds authorized to be appropriated to a military department or a Defense Agency of the Department of Defense for research, development, test and evaluation shall be available for research activities and for research and development activities under the Small Business Innovation Research Program in amounts as follows:

(1) For fiscal year 1993, 1.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(2) For fiscal year 1994, 2 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(3) For fiscal year 1995, and each fiscal year thereafter, 2.5 percent of the extramural budget of such military department or Defense Agency for such activities for that fiscal year.

(b) LIMITATION ON PROGRAM AWARDS.—Amounts paid to a small business concern by the Department of Defense under the Small Business Innovation Research Program for a project—

(1) in phase I under the program may not exceed $100,000; and

(2) in phase II under the program may not exceed $750,000.

(c) COMMERCIAL APPLICATIONS STRATEGY.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Administrator of the Small Business Administration, shall develop and issue a strategy for effectuating the transition of successful projects under the Small Business Innovation Research Program from phase II under the program into phase III under the program.

(d) PROGRAM MANAGEMENT.—The Director of Defense Research and Engineering and the Director of the Office of Small and Disadvantaged Business Utilization of the Department of Defense shall be responsible for the participation of the military departments and Defense Agencies in the Small Business Innovation Research Program.

(e) EXTENSION OF PROGRAM.—Section 5 of Public Law 97–219 (15 U.S.C. 638 note) is amended—

(1) by striking out "Effective October 1, 1993, paragraphs" and inserting in lieu thereof "Paragraphs"; and

(2) by striking out "are repealed" and inserting in lieu thereof "shall cease to be effective with respect to departments and agencies of the Federal Government other than the Department of Defense on October 1, 1993, and are repealed effective October 1, 2000".

(f) DEFINITIONS.—In this section:

(1) The term "Small Business Innovation Research Program" means the Small Business Innovation Research Program carried out pursuant to paragraphs (4) through (7) of subsection (b) of section 9 of the Small Business Act (15 U.S.C. 638) and subsections (e) through (k) of such section.

(2) The term "extramural budget" has the meaning given that term in subsection (e)(1) of such section.

(3) The term "phase I", with respect to the Small Business Innovation Research Program, means the first phase described in subsection (e)(4)(A) of such section.

(4) The term "phase II", with respect to the Small Business Innovation Research Program, means the second phase described in subsection (e)(4)(B) of such section.

(5) The term "phase III", with respect to the Small Business Innovation Research Program, means the third phase described in subsection (e)(4)(C) of such section.

(g) EFFECTIVE DATE AND APPLICABILITY.—This section shall take effect on October 1, 1992.

SEC. 808. DUAL-USE DEFENSE CONVERSION PRIORITY.

During fiscal year 1993, the Secretary of Defense shall give priority in the allocation of funds under subchapters II, III, and IV of

chapter 135 of title 10, United States Code (as added by sections 802 through 805) and the Small Business Innovation Research Program referred to in section 807, to the maximum extent practicable, to programs, projects, and activities that provide significant assistance for converting the capabilities of businesses that are economically dependent on Department of Defense business to capabilities having defense and nondefense commercial applications.

SEC. 809. STATUTORY CHARTER FOR THE ADVANCED RESEARCH PROJECTS AGENCY.

(a) STATUTORY CHARTER.—(1) Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following:

"§ 203. Advanced Research Projects Agency

"(a) IN GENERAL.—The Advanced Research Projects Agency is a Defense Agency.

"(b) DIRECTOR.—(1) The head of the agency is the Director.

"(2) The Director is appointed by the President, by and with the advice and consent of the Senate. The Secretary of Defense shall recommend persons for appointment to the position of Director.

"(3) Subject to the authority, direction, and control of the Secretary of Defense, the Director shall perform the functions and duties provided in subsection (d).

"(c) DEPUTY DIRECTOR.—(1) There is a Deputy Director of the agency who is appointed by the Director with the approval of the Secretary of Defense.

"(2) The Deputy Director shall perform such duties and exercise such authority as may be prescribed by the Director with the approval of the Secretary of Defense.

"(3) When there is a vacancy in the office of Director or in the absence or disability of the Director, the Deputy Director shall act as Director and perform the duties, and exercise the authority, of the Director until a successor is appointed or the absence or disability ceases.

"(d) FUNCTIONS AND DUTIES.—(1) The Advanced Research Projects Agency is the central research and development organization of the Department of Defense. It is a primary responsibility of the agency to maintain the technological superiority of the United States over the potential adversaries of the United States.

"(2) The agency shall—

"(A) together with United States industry, Federal laboratories, and colleges and universities, pursue—

"(i) imaginative and innovative research and development projects having significant potential for both military and commercial applications; and

"(ii) imaginative and innovative research and development projects having significant potential solely for military applications;

"(B) support and stimulate a national technology base that—

"(i) serves both civilian and military purposes through enhanced technology sharing and otherwise; and

"(ii) by so serving both purposes, increases the productivity of both the civilian and military sectors;

"(C) manage and direct the conduct of basic and applied research and development that exploits scientific breakthroughs and demonstrates the feasibility of revolutionary approaches for improved cost and performance of advanced technology having future military applications, including advanced technology also having future civilian applications; and

"(D) stimulate increased emphasis on prototyping in defense systems and subsystems—

"(i) by conducting prototype projects embodying technology that might be incorporated in joint programs, programs in support of deployed forces, or selected programs of the military departments; and

"(ii) on request of the Secretary of a military department, by assisting that military department in any prototyping program of the military department.

"(3) The agency may, when requested and supported by a department or agency of the Federal Government not primarily involved in the performance of national security functions, manage and direct the conduct of basic and applied research and development of any other advanced technology that can be applied to increase the capability of that department or agency to attain mission objectives of the department or agency.

"(e) OTHER DUTIES.—The agency shall perform any additional duties that the Secretary of Defense assigns.".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by inserting at the end the following:

"203. Advanced Research Projects Agency.".

(b) RELATED AND OTHER DEFENSE RESEARCH AMENDMENTS.—(1)(A) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(B) Section 5316 of such title is amended by striking out the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

(2)(A) Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Director of Defense Research and Engineering, Department of Defense.".

(B) Section 5315 of such title is amended by striking out the following:

"Director of Defense Research and Engineering.".

(3) Section 101(44)(B) of title 10, United States Code, is amended by inserting "by law or" after "designated".

(4) Section 2371(a) of such title is amended by striking out "Defense Advanced Research Projects Agency" and inserting in lieu thereof "Advanced Research Projects Agency".

(c) REFERENCE IN OTHER LAW.—Any reference in any other law to the Defense Advanced Research Projects Agency shall be deemed to refer to the Advanced Research Projects Agency.

SEC. 810. INDUSTRIAL DIVERSIFICATION PLANNING FOR DEFENSE CONTRACTORS.

(a) INCENTIVES.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense shall prescribe regulations to encourage defense contractors to engage in industrial diversification planning.

(2) Such regulations shall include—

(A) treatment of industrial diversification planning expenditures as allowable costs under Department of Defense contracts,

(B) treatment of industrial diversification research and development activities as permissible independent research and development expenditures, and

(C) such other incentives as the Secretary of Defense deems appropriate to encourage defense contractors to engage in industrial diversification planning.

(b) DEFINITION.—For purposes of this section, the term "industrial diversification" means conversion from government-oriented management, production, training, and marketing practices to practices that are compatible with the commercial marketplace.

SEC. 810A. CLARIFICATION OF PARTICIPANTS IN DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.

Section 2271(b) of title 10, United States Code (as redesignated by section 802(a)(2)), is amended by inserting "government-owned and operated industrial facilities," after "Federal laboratory or laboratories".

NATIONAL DEFENSE MULTIYEAR AUTHORIZATION ACT

For the text of the original bill (S. 3136) to authorize appropriations for fiscal year 1993 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, as passed by the Senate on September 18, 1992, please see S. 3114, this issue.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993

For the text of the original bill (S. 3137) to authorize appropriations for fiscal year 1993 for military activities of the Department of Defense, for military construction, and for defense activies of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, as passed by the Senate on September 18, 1992, please see S. 3114, this issue.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Sanders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session of the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 454. Joint resolution to provide for the expeditious disclosure of records relevant to the assassination of President John F. Kennedy.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 238. An act for the relief of Craig A. Klein;

H.R. 454. An act for the relief of Bruce C. Veit;

H.R. 478. An act for the relief of Norman R. Ricks;

H.R. 712. An act for the relief of Patricia A. McNamara;

H.R. 3379. An act to amend section 574 of title 5, United States Code, relating to the authorities of the Administrative Conference; and

H.R. 5620. An act making supplemental appropriations, transfers, and rescissions for the fiscal year ending September 30, 1992, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. BYRD].

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 21, 1992, he had presented to the President of the United States, the following enrolled bills:

S. 680. An act to amend the International Travel Act of 1961 to assist in the growth of international travel and tourism in the United States, and for other purposes.

S.J. Res. 337. Joint resolution designating September 18, 1992, as "National POW/MIA Recognition Day", and authorizing display of the National League of Families POW/MIA flag.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3912. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, notice to Congress of the certification with regard to the Board for International Broadcasting; to the Committee on Appropriations.

EC-3913. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "United States Costs In the Persian Gulf Conflict and Foreign Contributions to Offset Such Costs"; to the Committee on Armed Services.

EC-3914. A communication from the Deputy Assistant Secretary of Defense (Requirements and Resources), transmitting, pursuant to law, a report on the military retirement system as of September 30, 1991; to the Committee on Armed Services.

EC-3915. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice of a determination by the President under the Export-Import Bank Act of 1945 concerning Albania; to the Committee on Banking, Housing and Urban Affairs.

EC-3916. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report describing the status of multifamily housing; to the Committee on Banking, Housing and Urban Affairs.

EC-3917. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to relieve the regulatory burden on depository institutions and credit unions that are doing business or that seek to do business in an emergency or major disaster area; to the Committee on Banking, Housing and Urban Affairs.

EC-3918. A communication from the Under Secretary of Commerce (Oceans and Atmosphere), transmitting, pursuant to law, notice of the designation for the Monterey Bay National Marine Sanctuary; to the Committee on Commerce, Science and Transportation.

EC-3919. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of an extension of time for issuing a final decision in a certain legal case; to the Committee on Commerce, Science and Transportation.

EC-3920. A communication from the Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, a report of progress on developing and certifying the Traffic Alert and Collision Avoidance System; to the Committee on Commerce, Science and Transportation.

EC-3921. A communication from the Secretary of Health and Human Services, transmitting, for the information of the Senate, the comments of the Department of Health and Human Services relative to the bill S. 2481, the Indian Health Care Amendments of 1992; to the Select Committee on Indian Affairs.

EC-3922. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3923. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3924. A communication from the Acting Assistant General Counsel, Department of Energy, transmitting, pursuant to law, notice of meetings related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3925. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3926. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3927. A communication from the Administrator of General Services, transmitting, pursuant to law, a proposed prospectus for the United States Postal Service and the General Services Administration for a Federal Center in Philadelphia, Pennsylvania; to the Committee on Environment and Public Works.

EC-3928. A communication from the President of the United States, transmitting, pursuant to law, notice of the intent to enter into a North American Free Trade Agreement with the Governments of Mexico and Canada; to the Committee on Finance.

EC-3929. A communication from the President of the United States, transmitting, pursuant to law, a budget amendment for fiscal year 1993 providing for loan guarantees to Israel; to the Committee on Foreign Relations.

EC-3930. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to September 10, 1992; to the Committee on Foreign Relations.

EC-3931. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice of the provision of defense articles and services to the Organization of African Unity; to the Committee on Foreign Relations.

EC-3932. A communication from the Executive Assistant, Mortal, Welfare and Recreation Support Activity, Headquarters, United States Marine Corps, transmitting, pursuant to law, the annual report of the Retirement Plan for Civilian Employees of the United States Marine Morale, Welfare and Recreation Activities, the Morale, Welfare and Recreation Support Activity, and Miscellaneous Nonappropriated Fund; to the Committee on Governmental Affairs.

EC-3933. A communication from the Attorney General of the United States, transmitting, pursuant to law, the annual report on the operations of the private counsel debt collection project for fiscal year 1991; to the Committee on Governmental Affairs.

EC-3934. A communication from the Acting Chairman of the Administrative Conference of the United States, transmitting, pursuant to law, the annual report on agency activities under the Equal Access to Justice Act for fiscal year 1991; to the Committee on the Judiciary.

EC-3935. A communication from the Immediate Past National President of the Women's Army Corps Veterans' Association, transmitting, pursuant to law, the annual audit report of the Association dated June 30, 1991; to the Committee on the Judiciary.

EC-3936. A communication from the Assistant Attorney General (Legislative Affairs), transmitting a draft of proposed legislation entitled the "Orderly Phase-Down of Parole Act of 1992"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 2849. A bill to restore the groundfish resources off the coast of New England, and for other purposes (Rept. No. 102-412).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2837. A bill to amend the Public Health Service Act to provide for a program to carry out research on the drug known as diethylstilbestrol, to educate health professionals and the public on the drug, and to provide for certain longitudinal studies regarding individuals who have been exposed to the drug (Rept. No. 102-413).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first

and second time by unanimous consent, and referred as indicated:

By Mr. WOFFORD:

S. 3253. A bill to amend the Harmonized Tariff Schedule of the United States to correct the rate of duty on certain mixtures of caseinate; to the Committee on Finance.

By Mr. REID:

S. 3254. A bill to authorize the President to award a gold medal on behalf of Congress to Richard "Red" Skelton, and to provide for the production of bronze duplicates of such medal for sale to the public; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SASSER:

S. 3255. A bill to amend chapter 81 of title 5, United States Code, to provide that persons convicted of certain crimes of fraud or who are incarcerated may not receive worker's compensation under such chapter, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HATCH (for himself and Mr. KENNEDY):

S. 3256. A bill to amend the Public Health Service Act to authorize grants for construction at certain historically Black colleges and universities and similar institutions granting biomedical graduate degrees and enrolling substantial numbers of students from disadvantaged backgrounds, including racial and ethnic minorities; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S. 3257. A bill to create a separate tariff classification for certain herbal liqueurs; to the Committee on Finance.

By Mr. GLENN:

S.J. Res. 339. A joint resolution to designate January 16, 1993, as "National Good Teen Day"; to the Committee on the Judiciary.

By Mr. BRADLEY (for himself and Mr. HATCH):

S.J. Res. 340. A joint resolution designating the week of February 14 through February 20, 1993, as "National Visiting Nurse Associations Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILL AND JOINT RESOLUTIONS

By Mr. WOFFORD:

S. 3253. A bill to amend the harmonized tariff schedule of the United States to correct the rate of duty on certain mixtures of caseinate.

CORRECTION OF CERTAIN DUTY RATES UNDER THE HARMONIZED TARIFF SCHEDULE

• Mr. WOFFORD. Mr. President, I rise today to introduce legislation to restore the duty rate on Tru-Pro 224 of 0.2 cent per pound, which was in the tariff schedules of the United States [TSUS], the old tariff schedule—retroactive to January 1, 1989, when the harmonized tariff schedule [HTS] the new tariff schedule, came into force.

For 4 years—1985–88—all imports of Tru-Pro 224 were consistently and properly classified by the U.S. Customs Service as a mixture in chief value of casein under item 493.17 of the TSUS. When the United States began planning to replace the TSUS with HTS, it was internationally agreed that an article that was classified under a given provision of the TSUS would be classified under the equivalent provision of the HTS. This was designed to assure, in particular, that the rate applicable to the product would note change. In the case of Tru-Pro 224, the equivalent provision was HTS subheading 3501.90.50, which covers casein derivative, at a rate of 0.44 cent per kilogram.

In spite of the international agreement, Customs reclassified Tru-Pro 224 under HTS subheading 1901.90.40, which covers various food preparations with dairy ingredients, at a rate of 16 percent. That translates into a duty of about 14 cents per pound, since the dutiable value of Tru-Pro 224 is today about 88.5 cents per pound. In other words, the 16 percent rate is about 70 times the 0.2 cent per pound rate.

The attached letter dated June 28, 1990, to the Australian Government, from the United States Trade Representative acknowledges the obligation of the United States Government to seek congressional approval of the restoration of the TSUS rate of 0.2 cent per pound. I ask unanimous consent that the text of the letter be printed in the RECORD.

Mr. President, I believe it is clear that the United States is obligated to restore the 0.2 cent per pound rate for Tru-Pro 224. It is equally clear that the restoration should be retroactive to January 1, 1989, when the HTS came into force. The application of the 16 percent rate has been unjustified since that date.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE U.S. TRADE REPRESENTATIVE,
Washington, DC, June 28, 1992.

Hon. NEAL BLEWETT,
Minister for Trade Negotiations,
Parliament House, Canberra.

DEAR DR. BLEWETT: I have the honor to refer to the discussions which have taken place between officials of our two countries to resolve certain concerns Australia has with the introduction of the Harmonized Tariff Schedule of the United States [HTSUS]. Pursuant to those discussions, this letter sets forth the understandings of our two governments of certain actions the United States will take with respect to its schedule, and of Australia's undertaking that it will lift its reservation on the United States GATT schedule XX as converted to the Harmonized System.

Australia's reservations concern three products:

a. Mixtures of non-fat dry milk and anhydrous butterfat containing over 5.5 percent but not over 45 percent by weight of butterfat, which prior to January 1, 1989 were classified to TSUS item 182.92 but which are now classified to HTSUS subheading 1901.90.30;

b. Dried mixtures containing less than 31 percent by weight of butterfat and consisting of not less than 17.5 percent by weight each of sodium caseinate, butterfat, whey solids containing over 5.5 percent by weight of butterfat, and dried whole milk, but not containing dried milk, dried whey, or dried buttermilk any of which contains 5.5 percent or less by weight of butterfat. Prior to January 1, 1989 these mixtures were classified to TSUS item 493.17 but are now classified to HTSUS subheading 1901.90.40;

c. Woven tapestry and woven upholstery fabrics of wool valued over $2 per pound, which prior to January 1, 1989 were classified to TSUS item 357.15 but which are now classified to HTSUS subheadings 5112.20.00 or 5112.30.00.

Under the Tariff Schedules of the United States [TSUS], the products described in paragraph (a) above, imported from Australia, were subject to a section 22 quota of 1,016,046 kilograms and a tariff rate of 16 percent ad valorem. Under the Harmonized Tariff Schedule of the United States [HTSUS] these products have been classified as articles of milk or cream, subject to a section 22 quota of 2,721 kilograms and a tariff rate of 17.5 percent ad valorem.

Under the TSUS, the products described in paragraph (b) above, imported from Australia, were free of any quota and subject to a tariff rate of 0.44 cents per kilogram. Under the HTSUS these products have been classified as edible preparations containing over 5.5 percent butterfat, subject to a section 22 quota of 1,016,046 kilograms and a tariff rate of 16 percent ad valorem.

Under the TSUS, the products described in paragraph (c) above, imported from Australia, were subject to a tariff rate of 7 percent ad valorem. Under the HTSUS these products have been classified as woven fabrics of combed wool containing less than 85 percent by weight of wool mixed mainly or solely with man-made filaments or man-made staple fibers, subject to a tariff rate of 48.5 cents per kilogram plus 38 percent ad valorem.

Section 1211(c) of the Omnibus Trade and Competitiveness Act of 1988 provides authority to modify the coverage of the section 22 quotas to restore the previous treatment in effect under the TSUS. This authority expires on June 30, 1990.

There is no executive authority to reduce tariffs on these products by more than certain specified proportions and amounts. Any tariff reductions greater than those specified proportions and amounts would require approval by the Congress of the United States.

It is understood that the Government of the United States will use the section 1211(c) authority to restore the pre-existing treatment with regard to quotas for products described in (a) and (b) above and will not oppose legislation to restore the pre-existing duty treatment of products described in (a), (b) and (c) above. Further, the Executive Branch of the U.S. Government will enter into an agreement, in the context of the Uruguay Round of multilateral trade negotiations, to restore tariff rates on products described in (a) and (b) to the levels applying immediately prior to 1 January 1989, and thereafter will seek Congressional approval of such restoration.

In these circumstances, Australia will not take any retaliatory measures, request any compensation, or take any measures in pursuit of any right it might have under Article XXVIII of the GATT, including recourse to Article XXIII, with respect to the products described in (a) or (b), on the understanding that action will be taken by the United States to restore pre-existing tariff and quota treatment to products described in (a) and (b) above by the time the United States formally notifies the GATT of its acceptance of the agreements associated with the Uruguay Round of multilateral trade negotiations. However, Australia will retain its GATT rights in relation to these products until such restoration has occurred.

It is further understood that:

(A) Australia will immediately withdraw its reservation on the United States GATT

Schedule XX as converted to the Harmonized System in all respects except with regard to products (a) and (b) above and initially negotiated rights not fully shown in the Schedule,

(B) Australia will notify the GATT to that effect,

(C) Australia will lift its reservation with respect to each of the products (a) and (b) above when the respective duty rates and the quota treatment on each is restored to the level applicable under the TSUS, and once all agreed initially negotiated rights accorded to Australia are shown in the United States GATT Schedule XX as converted to the Harmonized System, and

(D) The United States will immediately withdraw its reservation on Australia's GATT Schedule I as converted to the Harmonized System.

I have the honor to propose that, if the foregoing is acceptable to the Government of Australia, this letter and your confirmatory reply constitute the understandings of our two governments as of the date of your reply.

Sincerely,

CARLA A. HILLS.●

By Mr. REID.

S. 3254. A bill to authorize the President to award a gold medal on behalf of the Congress to Richard "Red" Skelton, and to provide for the production of bronze duplicates of such medal for sale to the public; to the Committee on Banking, Housing, and Urban Affairs.

AWARD OF CONGRESSIONAL GOLD MEDAL TO RED SKELTON

● Mr. REID. Mr. President, I rise today to honor a man who set out at the age of 10 in pursuit of a penny and a dream. With only the clothes on his back and his natural talent he achieved both, becoming one of America's greatest entertainers. I am speaking, Mr. President, of Red Skelton.

Red Skelton began his journey to stardom at the age of 10 when he signed up as a sidekick in a traveling medicine show. Knowing that show business was in his blood, Red continued touring, working his way up, performing in tent shows, circuses, burlesque, and eventually motion pictures. In an interview in Collier's magazine in 1950, Red stated his motivation for pursuing a career in comedy:

All I want to do, * * * is make people laugh, to take the word "heartache" out of their vocabulary.

Mr. President, I don't know of a more admirable goal. I don't think there is anyone who can deny that wherever Red went, he did just that. He was in the business of lifting people's spirits, heightening their morale. And for Red it was not an occupation, but a way of life.

Red Skelton was also a true patriot. Who can forget the performance he gave during the Red Skelton Hour on January 14, 1969, of a grade school teacher trying to teach his students the true meaning of the Pledge of Allegiance.

I've been listening to you boys and girls recite the Pledge of Allegiance all semester and it seems as though it is becoming monotonous to you. If I may, may I recite it to you and try to explain each word:

I—me, an individual, a committee of one.

Pledge—dedicate all of my worldly goods to give without self-pity.

Allegiance—my love and devotion.

To the Flag—our standard, old glory, a symbol of freedom. Wherever she waves, there is respect because your loyalty has given her a dignity that shouts freedom is everybody's job.

Of the United—that means we have all come together.

States—individual communities that have united into 48 great States—48 individual communities with pride and dignity and purpose, all divided with imaginary boundaries, yet united to a common purpose, and that's love for country.

Of America.

And to the Republic—a State in which sovereign power is invested in representatives chosen by the people to govern. And a government is the people and it's from the people to the leaders, not from the leaders to the people.

For which it stands.

One Nation—meaning so blessed by God.

Indivisible—incapable of being divided.

With liberty—which is freedom and the right of power to live one's life without threats or fear or some sort of retaliation.

And justice—the principle of quality of dealing fairly with others.

For all—which means it's as much your country as it is mine.

Red demonstrated his patriotism in the theater of war as well as on the television screen. He supported the war effort during World War II by selling a record number of U.S. war bonds. Red also served as a private in the U.S. Army, entertaining his fellow soldiers on transport ships and the Italian front. His efforts there compelled the former Senator from Vermont, Senator Stafford, to comment on the Senate floor on June 23, 1986, about his memories of serving on the U.S.S. *West Point* with Red Skelton.

I can still remember Mr. Skelton going about the ship. There was always a constant group of men around him. They were always laughing.

Red Skelton has contributed much to our country—his talent, his time, and his charity. He has been honored by the American Veterans, the Freedom Foundation, the American Legion, and the Screen Actors Guild. He has been awarded the Cecil B. DeMille Award for outstanding contributions to the entertainment industry and has become an accomplished painter. It is now time for Congress to recognize his efforts, devotion, and contribution to the United States and its citizenry. I hope my colleagues will join me in authorizing the President to award a Congressional Gold Medal to Red Skelton in honor of a lifetime of achievement and goodwill.●

By Mr. SASSER:

S. 3255. A bill to amend chapter 81 of title 5, United States Code, to provide that persons convicted of certain crimes of fraud or who are incarcerated may not receive worker's compensation under such chapter, and for other purposes; to the Committee on Governmental Affairs.

LIMITATIONS ON RECEIVING WORKER'S COMPENSATION

● Mr. SASSER. Mr. President, I rise to offer a bill to reduce the number of fraudulent and unnecessary worker's compensation claims made against the Federal Government.

The legislation I offer today addresses two of the most obvious and flagrant abuses in the worker's compensation programs administered by the Federal Government.

No. 1, my legislation ensures that anyone convicted of worker's compensation fraud does not collect benefits after he is convicted.

If that person again seeks to collect worker's compensation at some point in the future, he will face a much heavier burden to prove the legitimacy of his claim than someone with no history of criminal convictions for worker's compensation fraud.

No. 2, my bill provides that a person on the worker's compensation payrolls who is incarcerated shall have all benefits suspended for the duration of his sentence, unless the individual has a family and worker's compensation payments comprise a third or more of the family income.

It's hard to believe, Mr. President, but I have found that some Government employees have been receiving worker's compensation even after being convicted of worker's compensation fraud. Others have received compensation despite being imprisoned for extended periods of time—even while their living expenses were being paid by the taxpayers.

Worker's compensation is intended to provide for the households of injured employees who are unable to work. It was not designed as an income supplement for those whose living expenses are already covered by the State.

In fact, sometimes these two abuses occur concurrently. Believe it or not, I have been informed of cases where a person is convicted of worker's compensation fraud and is sent to prison. He then collects worker's compensation benefits while serving time for worker's compensation fraud.

Despite these fraudulent activities, worker's compensation generally serves a noble purpose.

Worker's compensation is for the employee who—in the course of executing the duties of his job—is injured, or even loses his life.

Worker's compensation statutes require that when tragedy strikes, one's employer—in this case the Federal Government—must provide some compensation to the employee or his estate.

The employer need not be negligent or in any way responsible for the mishap which results in the disability.

Worker's compensation statutes reflect a policy decision that the injured worker should not bear the brunt of his ill fortune alone. The worker will not be left without an income while he is unable to work due to his injury.

For example, a worker sprains his back while lifting a heavy parcel at work. The injury prevents the worker from working for a period of time. Worker's compensation statutes ensure that this worker receives payments proportional to the severity of the injury until he can work again.

I think most of us agree that the Government's worker's compensation programs have served a noble purpose. Few would assert that these programs ought not to exist.

However, I believe that the worker's compensation programs as they are currently structured are susceptible to abuses.

This bill is the first legislation I have introduced in the course of my investigation of the Federal Government's worker's compensation programs.

Since January of this year, I have been working in conjunction with 64 inspectors general to investigate fraud and abuse in the worker's compensation programs of their individual agencies.

My investigation began when I received a letter this January from then-inspector general of the Tennessee Valley Authority, Mr. Norm Zigrossi.

Mr. Zigrossi informed me that over the past 2 years, 69 cases referred to the Department of Labor have resulted in the recovery of $2 million in fraudulent or erroneous claims and the avoidance of $21 million in future payments.

Additionally, 38 of these cases were referred for prosecution and have been successfully prosecuted as of January 1992.

Upon receiving this information on TVA's worker's compensation program, I contacted 63 other inspectors general requesting them to look into their agencies' worker's compensation programs.

My requests to these inspectors general have served two purposes.

One, these inspectors general have been alerted to the possibility of fraud in the worker's compensation programs at their agencies.

Two, I have already received some information on the type of fraud that is prone to happen.

Let me tell you about a few specific examples of cases where Government employees defrauded the Federal Government out of thousands of dollars. These examples were supplied to me by the current inspector general of TVA, Mr. William Hinshaw.

In 1978, an electrician sustained a back injury on the job at TVA. Since then, he has collected $247,601 in benefits. However, in March 1990, he pleaded guilty to worker's compensation fraud. From 1985 to 1989, he informed the Office of Worker's Compensation Programs [OWCP] he was unemployed when in fact he was the owner and operator of a heating and air-conditioning business. He was ordered to repay $77,350. This amount is being deducted from the benefits he still receives and will not be repaid until the year 2025.

A boilermaker-welder sustained a back injury in 1976, and he received workers compensation totaling $224,555 until May 1991. For 10 years, he claimed he was unemployed when in fact he earned a total of $200,000 as a boilermaker-welder, welder foreman, and truck driver. He was convicted of fraud and ordered to make a repayment of $91,405. It was also found that he received overcompensation of $182,599—but he has appealed this finding and there has been no attempt to reclaim it so far.

A TVA machinist injured his back in 1987. Since then, he has received compensation of $90,514. He claimed to be unemployed, when in fact he was the owner-operator of three convenience markets. He was sentenced to 3 months in jail and ordered to repay $38,860. He has set up a long-term repayment plan. However, he still receives $23,621 per year in tax-free worker's compensation benefits.

While my investigation is ongoing and has a long way to go before it will be complete, some of the problems it has revealed need to be addressed immediately.

Clearly, there is a lack of adequate safeguards currently in place. My legislation will seek to plug two of the most glaring holes in the dike.

I believe my legislation is a step in the right direction. However, the problem of waste in the worker's compensation system is broad and complex. Further action may well be necessary.

First, there must be stricter and more attentive enforcement of existing laws. I believe that my investigation has already assisted in this area by alerting scores of inspectors general to check into their worker's compensation programs.

It may also become apparent that further legislation will be necessary to tighten up the worker's compensation programs. I stand prepared to introduce such legislation, or take whatever action necessary to cut waste, fraud, and abuse, and conserve the taxpayers' scarce resources.●

By Mr. HATCH (for himself and Mr. KENNEDY):

S. 3256. A bill to amend the Public Health Service Act to authorize grants for construction at certain historically Black colleges and universities and similar institutions granting biomedical graduate degrees and enrolling substantial numbers of students from disadvantaged backgrounds, including racial and ethnic minorities; to the Committee on Labor and Human Resources.

MINORITY BIOMEDICAL RESEARCH CONSTRUCTION ACT

Mr. HATCH. Mr. President, I rise today to introduce the administration's proposal to initiate a new program of grants for the construction of research facilities at historically black colleges and universities [HBCU's] and similar institutions granting advanced biomedical science degrees.

This bill is a high priority for Health and Human Services Secretary Sullivan.

There is clearly a need for this legislation. A 1990 National Science Foundation Report, "Scientific and Engineering Research Facilities at Universities and Colleges: 1990," identified the lack of available space for research as an emerging impediment to the capability of minority institutions to conduct research.

Let me amplify. If you compare the space for research at major U.S. research centers to the space at HBCU's, the ratio is a compelling 16:1. And Dr. Sullivan advises me it is fair to extrapolate those findings to all minority institutions.

It is clear to this Senator, for one, that the minority institutions are at a substantial disadvantage.

Under the legislation I am introducing today, to be eligible for these grants, applicants must enroll substantial numbers of students from disadvantaged backgrounds.

In the past, federally supported construction of research facilities at those institutions did not occur because they did not support strong research programs.

But today, particularly with the rapid growth of the biotechnology industry, and this country's need to remain competitive in that field, institutions are emphasizing and encouraging more students to consider science careers—particularly biomedical science research careers. Thus, there is a real need to broaden the pool of institutions participating in research.

The National Institutes of Health [NIH] has, for many years, managed research programs targeted to disadvantaged and minority students to encourage them to obtain higher degrees in the biomedical sciences and to introduce them to biomedical research.

NIH also supports a program for providing faculty members from historically black colleges and universities with research experience at the NIH campus.

This bill will provide the means to build research facilities at these institutions and help make those institutions a part of the Nation's biomedical research program.

It will implement the President's budget request for fiscal year 1993—a clear demonstration of the administration's commitment to reach out to these institutions.

And, enactment of this legislation will prove our commitment as well.

• Mr. KENNEDY. Mr. President, I rise today to offer my support for the Minority Biomedical Research Construction Act.

Adequate research facilities and equipment are essential to the effectiveness of our national research efforts. There is increasing evidence that the Nation's biomedical research facilities are slowly deteriorating and that the great need for a new Federal construction program to replace outmoded facilities, relieve overcrowding, and accommodate changing research requirements must be addressed.

The Department of Health and Human Services told Congress in June 1989, in its "Report on Extramural Biomedical Research Facilities Construction," that the lack of adequate and appropriate space for research was a serious barrier to the full and active participation of historically black colleges and universities in biomedical research. These colleges and universities are heavily dependent on Federal, State, and local support for any construction or renovation effort. These institutions are not in a position to obtain private funds to support essential building programs. Lacking private resources, they are dependent upon Government support to continue their development. Without such support they will fall behind in their efforts to achieve their rightful role in biomedical research.•

By Mr. GLENN:

S.J. Res. 339. Joint resolution to designate January 16, 1993, as "National Good Teen Day"; to the Committee on the Judiciary.

NATIONAL GOOD TEEN DAY

• Mr. GLENN. Mr. President, I rise today to introduce a joint resolution designating January 16, 1993, as "National Good Teen Day." This day will commemorate those positive contributions that our Nation's youth make every day to our society.

The original concept of Good Teen Day and created by Mr. Robert Viencek, an English teacher at Salem City schools in Salem, OH. The Salem City schools commemorated this day on January 16, 1992. I believe that this day should be recognized on a national level.

Despite many negative stereotypes of American teens, the majority of our teenagers aspire to be integral and productive members of our society and will successfully reach that goal. Each of us was once a teenager. Teenagers represent the future of our great Nation and should be recognized for their contributions. Mr. TRAFICANT has introduced similar legislation in the House. Mr. President, I ask that the Senate designate January 16, 1993, as "National Good Teen Day."•

By Mr. BRADLEY (for himself and Mr. HATCH):

S.J. Res. 340. Joint resolution designating the week of February 14 through February 20, 1993, as "National Visiting Nurse Associations Week"; to the Committee on the Judiciary.

NATIONAL VISITING NURSE ASSOCIATIONS WEEK

• Mr. BRADLEY. Mr. President, I rise today with my distinguished colleague from Utah [Mr. HATCH] to introduce a joint resolution proclaiming the week of February 14 through February 20, 1993, as "National Visiting Nurse Associations Week."

Mr. President, the contributions that the Visiting Nurses Associations have made in caring for and improving the lives of thousands of Americans for more than a century are deserving of our recognition and support. The best way I can think of to highlight their special place in our country's health care system is to simply look at one of many people they provide needed care for every day.

Bobby, not his real name, is a 2-year-old boy in Springville, NY, who is suffering from a very rare disease called severe combined immune deficiency [SCID], a disease in which victims are sometimes referred to as "bubble babies." There are only 15 known SCID patients in the United States. Until recently, the future for these children was bleak—most died at an early age or faced a life of isolation in a plastic environment. A new drug called Adagen has recently been approved to treat the disease, making it possible for patients like Bobby to live independently outside of their plastic bubbles. The Visiting Nurse Association of Western New York in Amherst is helping Bobby to achieve his independence. The agency administers the weekly injections, monitors his condition, and provides the education his family needs to keep him at home with his parents and six brothers and sisters.

Bobby is one of the more than 2 million patients each year who benefit from the home health care service provided by the 422 Visiting Nurse Associations [VNA's] in the United States. VNA's are located in both rural and urban areas and provide a wide range of services that enable patients of all ages to live independently in their homes. More importantly, VNA's provide care to all who need it, regardless of their ability to pay. The role VNA's play in our health care system is indisputable. The availability of VNA services brings relief and support to the Americans who truly want to convalesce, recover, or spend their remaining days in the comfort of their own homes.

We are asking you to support this unique concept of health care by cosponsoring our joint resolution to designate February 14 through 20, 1993, as Visiting Nurse Associations Week. Last year, 51 Senators joined us in this effort to ensure that Visiting Nurse Associations obtain the recognition they deserve.

Mr. President, I would ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the point resolutions were ordered to be printed in the RECORD, as follows:

S.J. RES. 340

Whereas Visiting Nurse Associations have served homebound Americans since 1885;

Whereas such Associations annually provide home care and support services to more than 1,500,000 men, women, children, and infants;

Whereas such Associations serve 422 urban and rural communities in 45 States;

Whereas such Associations adhere to high standards of quality and provide personalized and cost-effective home health care and support, regardless of an individual's ability to pay;

Whereas such Associations are voluntary in nature, independently owned, and community based;

Whereas such Associations ensure the quality of care through oversight provided by professional advisory committees composed of local physicians and nurses;

Whereas such Associations enable hundreds of thousands of Americans to recover from illness and injury in the comfort and security of their homes;

Whereas such Associations ensure that individuals who are chronically ill or who have physical or mental handicaps receive the therapeutic benefits of care and support services in the home;

Whereas, in the absence of such Associations, thousands of patients with mental or physical handicaps or chronically disabling illnesses would have to be institutionalized;

Whereas such Associations provide a wide range of services, including health care, hospice care, personal care, homemaking, occupational, physical and speech therapy, "friendly visiting services", social services, nutritional counseling, specialized nursing care by registered nurses, and meals on wheels;

Whereas in each community serviced by such an Association, local volunteers support the Association by serving on the board of directors, raising funds, visiting patients in their homes, assisting patients and nurses at wellness clinics, delivering meals on wheels to patients, running errands for patients, working in the Association's office, and providing tender loving care; and

Whereas the need for home health care for young and old alike continues to grow annually: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That February 14 through February 20, 1993, is designated as "National Visiting Nurse Associations Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such weeks with appropriate programs, ceremonies, and activities.•

ADDITIONAL COSPONSORS

S. 1931

At the request of Mr. STEVENS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1931, a bill to authorize the Air Force Association to establish a memorial in the District of Columbia or its environs.

S. 2511

At the request of Mrs. KASSEBAUM, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 2511, a bill to exempt certain financial institutions from the examination requirements of the Community Reinvestment Act of 1977.

S. 2696

At the request of Mr. DOMENICI, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2696, a bill to establish a comprehensive policy with respect to the provision of health care coverage and services to individuals with severe mental illnesses, and for other purposes.

S. 2918

At the request of Mr. GRAHAM, the name of the Senator from Wyoming [Mr. WALLOP] was withdrawn as a cosponsor of S. 2918, a bill to promote a peaceful transition to democracy in Cuba through the application of appropriate pressures on the Cuban Government and support for the Cuban people.

S. 2970

At the request of Mr. SASSER, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2970, a bill to amend the Cash Management Improvement Act of 1990, and for other purposes.

S. 3195

At the request of Mr. GLENN, the names of the Senator from Pennsylvania [Mr. WOFFORD], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 3195, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States' involvement in World War II.

S. 3221

At the request of Mr. LAUTENBERG, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 3221, a bill to deny most-favored-nation status to Serbia and Montenegro unless certain conditions are met.

SENATE JOINT RESOLUTION 321

At the request of Mr. KOHL, the names of the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. PRYOR], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 321, a joint resolution designating the week beginning March 21, 1993, as "National Endometriosis Awareness Week."

SENATE JOINT RESOLUTION 328

At the request of Mr. COCHRAN, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Montana [Mr. BURNS], and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Joint Resolution 328, a joint resolution to acknowledge the sacrifices that military families have made on behalf of the Nation and to designate November 23, 1992, as "National Military Families Recognition Day."

SENATE JOINT RESOLUTION 330

At the request of Mr. KENNEDY, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 330, a joint resolution to designate March 1993 as "Irish-American Heritage Month."

SENATE RESOLUTION 326

At the request of Mr. SANFORD, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Resolution 326, a resolution to express the sense of the Senate that a National Institutes for the Environment should be established.

AMENDMENTS SUBMITTED

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1993

INOUYE AMENDMENT NO. 3115

Mr. INOUYE proposed an amendment to the bill (H.R. 5504) making appropriations for the Department of Defense over the fiscal year ending September 30, 1993, and for other purposes; as follows:

On page 7 of the committee reported bill, after line 17, insert "(Including Transfer of Funds)";

On page 11 of the committee reported bill, after line 12, insert "(Including Transfer of Funds)";

On page 12 of the committee reported bill, after line 3, insert "(Including Transfer of Funds)";

On page 23 of the committee reported bill, after line 3, insert "(Including Transfer of Funds)";

On page 29 of the committee reported bill, on line 8, strike "(Including Transfer of Funds)";

On page 41 of the committee reported bill, after line 18, insert "(Including Transfer of Funds)";

On page 45 of the committee reported bill, after line 21, insert "(Including Transfer of Funds)";

On page 53 of the committee reported bill, after line 16, insert "(Including Transfer of Funds)";

On page 53 of the committee reported bill, on line 23, delete "may" and insert "shall" in lieu thereof;

On page 54 of the committee reported bill, on line 1, delete "may" and insert "shall" in lieu thereof.

On page 54 of the committee reported bill, on line 2, delete "may" and insert "shall" in lieu thereof.

On page 148 of the committee reported bill, after line 15, insert "(Transfer of Funds)";

BUMPERS (AND OTHERS) AMENDMENT NO. 3116

Mr. BUMPERS (for himself, Mr. METZENBAUM, Mr. WELLSTONE, and Mr. HOLLINGS) proposed an amendment to the reported amendment beginning on page 64, line 15 to the bill H.R. 5504, supra; as follows:

At the end of line 6, page 65, add the following new section:

"Notwithstanding any other provision of this bill, the amounts appropriated for the programs in support of the intelligence community of the federal government for the National Foreign Intelligence Program shall be reduced by $500,000,000; and the amounts appropriated for the programs in support of the intelligence community of the Federal Government for the Tactical Intelligence and Related Activities Program shall be reduced by $500,000,000."

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. BUMPERS. Mr. President, I ask unanimous consent for the Senate Select Committee on POW/MIA Affairs to meet Monday, September 21, 1992, at 8:30 a.m. in room 216 of the Hart Senate Office Building for hearings to examine the Paris Peace Accords: The Negotiations and the Aftermath.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL ASSOCIATION OF SICKLE CELL DISEASE OF NEVADA

• Mr. REID. Mr. President, it is with pleasure that I rise to recognize and commend an outstanding organization, the National Association for Sickle Cell Disease of Nevada. The month of September has been set aside as National Sickle Cell Anemia Month, to help draw attention to a disease that affects thousands of people, and to inform communities about significant changes and events surrounding sickle cell.

At present, there is no cure for this disease, but there have been many promising developments in sickle cell research programs. Until a breakthrough is achieved, however, the focus of medical therapy continues to center on the relief of pain and treatment for health problems associated with the disease.

The Nevada chapter of the National Association was chartered 8 years ago to assist people diagnosed with this disease and to provide education and information about the hazards associated with sickle cell anemia. Since then, the NASCD of Nevada has developed a statewide newborn hemoglobinopathy screening program, and it has worked with the State of Nevada to establish a State advisory committee concerning sickle cell. Currently, the organization is developing a multidisciplinary pediatric sickle cell program under the auspices of the Nevada School of Medicine.

I am proud to commend all of the people who work with and support this organization. They are committed to providing education on the effects of

sickle cell on individuals and their families, they bring together individuals and groups to work together on common goals, and they establish support groups to assist with patient counseling and referrals.

On September 26, NASCD of Nevada will host a fundraising banquet honoring well-known actor, Greg Morris, and Dr. Jack Lazerson. I know I join with all Nevadans in supporting this most worthwhile cause.•

TRIBUTE TO INEZ

• Mr. MCCONNELL. Mr. President, I rise today to recognize the town of Inez in Martin County.

Inez is a small mountain community, located in the rugged Appalachian Mountains in eastern Kentucky. Hampered by sluggish economic growth in the past, Inez has begun to rebound and show signs of growth.

Inez and the surrounding areas rely on the coal industry for its economy. As much of this industry has become automated, the residents of Inez have had to make new concerted efforts to bring other industries to the area. Two local mining companies are using the newest technology to mine the local mountains in such a way as to remove their tops. Residents hope that the resulting flat land can be used for business. An airport has already been built on a leveled mountain, and a new lumber mill is coming to the region. The area has seen a dramatic improvement in its roads, arguably the finest in eastern Kentucky. These are just a few examples, of the economic resurgence of Inez.

The residents of Inez represent the charm of a small southern town. It is a community based on strong morals and values. A local hero is Russell Williamson, the high school basketball coach for nearly 30 years. He is a legend in the coaching community, leading this small town to two State championships during his coaching career.

I applaud these efforts of progress, making Inez one of Kentucky's finest towns.

Mr. President, please enter the following article from Louisville's Courier-Journal in today's CONGRESSIONAL RECORD.

The article follows:

INEZ

Inez is the town that refused to die.

Like a lot of mountain communities, the town is locked in isolation and rugged terrain and is saddled with sluggish economic growth.

But the survival of Inez goes beyond merely hanging on. The town lived through an attempt at euthanasia.

In 1941, community leaders decided to give up the town's charter, a poly designed to make Inez eligible for rural-road funds to pave Ky. 40.

But by 1980, when residents were ready to make Inez a city again, they discovered something unusual.

Somehow, the Kentucky secretary of state's office had never received notice that Inez was getting out of the city business. Although it had no mayor, no police department and no garbage-collection system, Inez had been incorporated all along.

Now, more than 50 years after that brush with extinction, Inez is caught in a new legal twist. The City Commission recently discovered that the city was breaking a state law by not collecting city taxes.

The commission has adopted a resolution endorsing a property tax, but a public outcry could hamper its chances. Already, Mayor Dave West has resigned over the issue.

For years, people were used to paying no city taxes. Instead, the city relied on receipts from the state coal severance tax. That's not unusual; Inez's economy depends almost entirely on coal.

"Ninety percent of my business comes from coal companies," said Kelly Goble, owner of Goble Signs, a small business that paints and sells signs and athletic trophies. "It's scary to look at my books because if they go, I'll go."

The town's commercial section is somewhat limited. There's the usual assortment; lawyers' offices, doctors' offices, a drugstore, a hardware store. But there are also a number of vacant buildings.

Maynard's Restaurant, where owner Sylvia Maynard can fill you in on the latest soap-opera story lines as she refills your coffee cup, is the town hangout. But much of the time, nobody's hanging out downtown.

"Anymore, you could shoot a shotgun right down the middle of town and nobody's there," said Martin County Judge-Executive John Callaham.

The coal industry—that sputtering engine that drives Eastern Kentucky economies in fits and starts—arrived late in Martin County. Though loaded with millions of tons of the mineral, Martin was too isolated to make mining feasible. The break came in the 1970s, after the Norfolk and Western Railroad built a spur up Wolf Creek.

It happened just in time for the energy crisis, just in time for the 1970s coal boom. And for a while, it changed life entirely.

"When I got out of high school in '55, you either drove over to West Virginia and went to work for Island Creek (Coal Co.), or you were born into a family business, or you worked for the government or the school system," Callaham said. "Or you left."

Callaham estimated that 75 percent of the students in his high school class left. Many went to Columbus, Ohio, which has a large Martin County enclave.

But when the coal companies came to Martin County, people found jobs near home. "It was a good time," Callaham said.

But only for a while. Automation soon followed, miners were replaced by machines, and much of the economic opportunity evaporated.

"That's how you get back to the welfare state," Callaham, said.

In symbolic terms, perhaps, Inez is the capital of the welfare state. It was forever tagged with that label when President Lyndon Johnson descended on the town in 1964 during the early stages of the War on Poverty.

The president was probably the most auspicious visitor Inez ever had. But not everyone remembers the visit fondly.

"I believe that was the first lesson in how a small community can be exploited in the media," said Mickey McCoy, a former mayor who teaches at nearby Sheldon Clark High School.

Reporters return to Martin County regularly to see whether poverty still pervades the community. It does.

But at the same time, there are signs of growth. Callahan said a lumber mill plans to locate in the county, bringing 50 jobs. And he has a plan for bringing more industries to the area; he has been to what used to be the mountaintop.

Two big coal companies, Martin County Coal Corp., and Martiki Coal Co., are mining mountains in such a way as to remove their tops. Such mountaintop-removal methods are relatively rare in the coal industry.

Callaham believes the resulting flat land can be used for businesses, and he works with coal officials to determine how the finished sites might be used. Already, an airport has been built atop a leveled mountain that was donated for public use by Pocahontas Land Corp.

But mountaintop removal notwithstanding, the county began to open up during the last decade as the state began improving roads.

Ky. 645 and Ky. 3—both of which connect Inez with U.S. 23—each boast four smooth lanes, a level design and modern construction.

There is no disputing it. The finest roads in Eastern Kentucky lead to Inez. There is only one problem: They also lead away.

"I guess they gave people a better way to get to Paintsville and Prestonsburg and Lexington," said Gordon Wright, owner of an Inez jewelry store.

There's also a nice bypass, called the "Russell Williamson Bypass." Williamson is without a doubt the town's true-blue living legend.

Between 1929 and 1956, Williamson coached the Inez High School Indians basketball team. He compiled a won-lost record of 892-108 and won the state high school basketball tournament. Twice.

Inez residents still talked about those small teams that whipped the rest of the state in 1941 and 1954. And Williamson sometimes shows visitors news clippings about his teams "so they won't think it's a fairy story."

He remembers the teams fondly. "Their strong point were that they were well-disciplined," he said.

Inez was founded in 1873, when Martin Countians moved the county seat from Warfield, which lies on the West Virginia border, to a more central location on Rockcastle Creek.

They named it Eden. But Kentucky already had a post office at a place called Eden, according to the Kentucky Historical Society. So the postmaster at nearby Louisa in Lawrence County named the new Eden post office "Inez," allegedly after his daughter.

Perhaps it was just as well. It would have been tough for the little town to avoid comparisons to the Biblical paradise, as in this reminiscence from a traveling preacher who visited in 1880:

"I hired a horse and rode through Martin County to its county seat, called Eden—the most misnamed place I ever saw. If the picturesque setting suggested Paradise, the moral condition was of a Paradise Lost. I never saw so much drunkenness or heard so much swearing."

A hundred and twelve years can make a difference. When a visitor recently spent several days in Inez, there was absolutely no evidence of drunkenness—Martin County is dry—and the swearing was pretty mild.

And the moral condition? Ask John Robinson, a local barber.

Robinson keeps photographs of every child under 12 who clambers up into his big chair for the first time. He has 700 photographs in all, each one pasted to the wall of his shop.

There are a couple of Mohawks, a few oddball-type haircuts. But the vast majority are close-cropped, responsible haircuts. Haircuts that speak to a simple and honorable moral code.

"And that's what they want," Robinson said. "It's not my doing. I'll cut it any way they want."

The photographs have another meaning to Robinson.

"When these boys are in college, they'll be coming back to look at their pictures," he said.

In that way, they might act as a kind of connection point, a touchstone for a generation of children who seem to be headed elsewhere.

At the Dairy Queen across from Sheldon Clark High School, Mickey McCoy, the teacher, was talking to some of his students about their plans after the year ends.

One wanted to become a music teacher somewhere besides Inez. One wanted to be a physical therapist anywhere but Inez.

They wanted out.

McCoy laughed. He understood.

As a teacher, he likes working with young people, "giving something back" to his hometown. And he likes living in the place he grew up, with a bunch of other people who are doing the same thing.

"It's a place where people can still ask, 'Who are your people?'" he said.

Still, he understood his students' feelings.

"When I got out of high school, I swore two things," he said. "One, I would never come back here. And two, I would never be a teacher."

By now, he's decided that none out of two ain't bad.

Population: (1990): Inez, 511; Martin County, 12,526.

Per capita income: (1988): $9,775—$3,017 below the state average.

Jobs: (1990): Total employment, 3,136. Mining/quarrying, 1,628; government, 562; wholesale/retail, 423; services, 195.

Media: Newspapers: The Mountain Citizen and The East Kentucky Sun, both weeklies.

Transportation: Air: Big Sandy Regional Airport, 15 miles. The nearest commercial service is Tri-State Airport, Huntington, W. Va., 58 miles. Rail. The nearest service is provided by Norfolk and Western Railway at Kermit, W. Va., 11 miles. There is also rail service to most of the coal mines in Martin County. Trucking. Two companies operate in Martin County, Roads: The county is served by KY 3, KY 645 and KY 40.

Education: Martin County Public Schools, 3,026 students.

Topography: Inez sits midway between the Tug and Lavisa forks of the Big Sandy River in the rugged Appalachian Mountains.

FAMOUS FACTS AND FIGURES

Russell Williamson, the revered basketball coach of Inez High School, compiled a 892-108 record over 27 years of coaching—a winning percentage of .891. He had had no formal coaching training when he took over the team in 1929 and, in fact, had never played basketball.

Inez was home to one of Kentucky's most vicious newspaper rivalaries—The Martin Countian vs. The Mercury. Headlines in each of the weekly newspapers were often taken up with negative stories about the other. The editors, John Kirk of The Mercury and Homer Marcum of the Martin Countian, filed several lawsuits against each other. In 1989, the papers were bought by the same company and combined.

Thanksgiving visitors to Martin County have a choice. They can celebrate in Turkey or Pilgrim. Other Martin County communities with nice names include Add, Tomahawk, Oppy and Pigeon Roost.

Martin County was created in 1870 and named for John P. Martin, a Kentucky congressman. The first county seat was established at Warfield, which lies about 10 miles east of Inez on the West Virginia border. The county seat was moved in 1873 after residents called for a more central location.•

SALUTING UNITED CEREBRAL PALSY OF SCHUYLKILL, CARBON AND NORTHUMBERLAND COUNTIES

• Mr. WOFFORD. Mr. President, it is with pleasure that I rise today to recognize 40 years of hard work, determination and accomplishment by the United Cerebral Palsy of Schuylkill, Carbon and Northumberland Counties. Today the organization provides services to 375 Pennsylvanians, from infants to senior citizens.

The group began modestly on September 12, 1952 when Mal Weaver Bartram called a meeting for any parents of disabled persons. This meeting led to an application to the national United Cerebral Palsy to become a local chapter of the organization. The application was approved and a charter granted originally for Schuylkill and later for Carbon and Northumberland Counties.

Since its first meetings in Mal Bartram's basement, the organization has grown and achieved many firsts in providing services for people with cerebral palsy. October 29, 1953, brought the first diagnostic clinic to the area. The first class for children with disabilities was initiated in the Pottsville School District, with other area school districts soon following suit.

United Cerebral Palsy also created a vocational rehabilitation program for its clients. The program started with the participants producing crafts that were locally sold and was later expanded to include subcontracting work for various industries. A greenhouse program to produce flowers, plants and vegetables, which culminated in the opening of the Mal Weaver Bartram Horticultural Center in 1988.

The United Cerebral Palsy of Schuylkill, Carbon and Northumberland Counties, in this its 40th year, continues to serve its community with infant programs, geriatric day programs and vocational instruction. It also seeks to educate the public on its clients needs, initiates action on the clients behalf by government and private institutions and encourages research for prevention and treatment for those with cerebral palsy.

I want to salute the hard work, dedication and perseverance of the United Cerebral Palsy of Schuylkill, Carbon and Northumberland Counties and wish them continued success.•

TRIBUTE TO ROSEMARIE COLEMAN

• Mr. DURENBERGER. Mr. President, I rise today to recognize a special person in my life and in the lives of many Minnesotans. Rosemarie Coleman has been a friend for many years. She raised six children before taking a job as a receptionist at the Metropolitan Council, where it was discovered that she could not type so well. As a result, her job expanded.

It became evident that Rosemarie's real talent was in making people feel welcome and important. That is an ability we cherish in government, and in short order Rosemarie found herself appointed as special assistant to the Chair of the Met Council. She held that post under five Met Council administrations.

One of the key functions of the Met Council is to build solid relationships between local units of government and the private sector—no easy task. The council can use all the Rosemarie Colemans it can get.

Friends have described Rosemarie as the quintessential people person and a one-woman welcoming party. I would add, simply, that Rosemarie is a wonderful friend. "My job is new every day," Rosemarie says of the challenges she has faced during her years at the Met Council. Too often people like Rosemarie work in the back offices of government where they go unrecognized by the public they serve. But they are absolutely essential. They spread good will, and somehow they manage to make the people they work for look good every time.

Mr. President, Rosemarie Coleman is retiring on September 25, 1992. She distinguished herself as a genuinely kind and caring public servant during her 17 years of service on the Metropolitan Council. We will miss her.•

NEW DIRECTIONS IN PUBLIC DIPLOMACY AND INTERNATIONAL BROADCASTING

• Mr. SIMON. Mr. President, one of the subjects we do not pay enough attention to in foreign policy is international broadcasting. We just had a hearing in the Foreign Relations Committee on the Hughes Commission report on whether it makes sense to establish a surrogate radio service to Communist nations in Asia, particularly China. I would like to set forth some preliminary thoughts on this subject.

First, let us be clear about one thing: objective news about events in China and the rest of Asia is desperately needed by the people of the region. One-fifth of the world's people live under a repressive and often brutal regime in China, people who today are being denied factual information about their own lives and the larger world around them. Reliable information and

access to truthful broadcasts about events in their own countries, made available by Radio Free Europe, Radio Liberty, the BBC, Deutsche Welle, and other Western radios, was clearly one of the driving forces behind the freedom movements in Eastern Europe and the former Soviet Union. Why have we waited so long to do the same—except in minimal terms—for the oppressed peoples of Asia?

I can tell you why we have not embarked on any such project since January 1989: The Bush administration does not believe that this idea has merit. Their approach from day one has been to coddle the hard-liners in Beijing, fearing their reaction to any criticism. Whether it is human rights, the repression of the democracy movement at Tiananmen Square, the occupation of Tibet, or the sale of ballistic missiles to nations hostile to our interests, President Bush has been reluctant to stand up to them. But Congress ought to act, and act soon, to establish a surrogate service to the peoples of China and Asia.

On the subject of how precisely we go about broadcasting to China and other repressive regimes in Asia, I confess to some previous ambivalence. I supported the idea of setting up a commission to study this, and I am a cosponsor of Senator JOE BIDEN's bill to set up a "home" or "surrogate" service to China. I have not been too concerned about how this is done, and thought for a time that the Voice of America [VOA] might more quickly and cheaply do the job. But after reviewing the impressive report submitted last week by the Hughes Commission, I am persuaded that a new radio ought to be established, separate from the Voice of America, to be administered by the same quasi-private advisory board that oversees Radio Free Europe and Radio Liberty—the Board for International Broadcasting.

This is no slight on the fine work done by VOA over the years. But the reality is that VOA's primary mission is to tell America's story abroad, as supervised by the U.S. Information Agency and the Department of State. VOA offers U.S. and international news, U.S. Government opinions, music and features of American life, culture, and politics. Their main focus is America.

VOA, the BBC, Taiwanese, Japanese, and other national radios broadcast together a total of 350 hours a day to the People's Republic of China. But of these 350 hours of daily programming, less than one-tenth is in Mandarin or Cantonese—the rest is in English. About one one-hundredth of the Chinese language broadcasts is news, and about a hundredth of that hundredth is news about developments in China.

This is far too little hard news about Chinese events broadcast in Chinese languages. An independent radio that does not have to answer to the State Department, whose focus is objective news about the country receiving the broadcast—news denied the people of these countries by their governments—this is what we need. The Board for International Broadcasting has the expertise and experience operating a home service type of program, where the overwhelming majority of programming would be news and features about China, Burma, North Korea, Vietnam, Cambodia, Tibet, and Laos.

A majority of the Hughes Commission argued in this vein, recommending a new radio service to be called something like Asia Democracy Radio. Headquarters would be either in Los Angeles or San Francisco, to take advantage of the large numbers of Asian-Americans residing in California. As for cost, the commission reports that transmitter time can be leased from a number of existing sites around the world, rather than embarking on costly new transmitter projects. The commission states that one-time startup costs would be $30 million or less, and annual operating costs in the range of $35 to $39 million a year. Interestingly, while VOA maintains that they can set up a better and less expensive surrogate service, their cost estimates are roughly comparable—more expensive startup costs but lower annual costs, because they are talking about a much smaller operation than the Board for International Broadcasting.

And does the State Department, which ultimately oversees the Voice of America, really want anything more than a minor expansion of VOA's current services to China? Do they really want the people of China to know the truth about their own Government? Listen to the words of Acting Secretary of State Lawrence Eagleburger, saying that a:

> New, unproven surrogate service * * * will immediately be distrusted and viewed as hostile by the Chinese Government. * * * While China's media may be state controlled, China is not a closed society comparable to the Soviet Union in the 1950's. * * *

With all due respect to my friend Larry Eagleburger, China is still very much a closed society. It may not be the Soviet Union of the 1950's—although a visit to most of China would reveal close similarities—but it is still an oppressive, censor-rich country where ideas, opinions, and real news are strictly controlled.

So, Mr. President, we ought to proceed with a new surrogate radio under the Board for International Broadcasting. The conclusions of the Hughes Commission are sound. There should be a strong research and monitoring staff. The Hughes Commission was silent on this, but we should also set up an Asia Democracy Radio Research Institute similar to the Radio Free Europe/Radio Liberty Research Institute. It is one reason why the Radios are so competent, and is a worthy model for the new Radio. If funds allow, overseas branches could be established.

Where will we get the money to set up this surrogate service? There are several areas where we can get the money without adding new expenditures to the budget.

First, when we look within the international affairs budget function, several areas suggest themselves. We could make good on our pledge to show some restraint on arms transfers to sensitive regions, and offset the costs for the new Radio by taking money from the security assistance account. We are spending too much on arms for dubious results.

Another place to look is within the Board for International Broadcasting itself. We can appropriate initial sums next year by beginning the phaseout of Radio Free Europe/Radio Liberty [RFE/RL] and using those funds for startup costs. That phaseout, whatever the timetable we ultimately have, is inevitable. I count myself among the staunchest supporters of Radio Free Europe and Radio Liberty, but the reality is that they have largely fulfilled their mission now that the cold war is over. One reason the cold war is over is the intellectual and moral support given the captive nations by the Radios through the years. Asked recently about how important Radio Free Europe was during the period of martial law in Poland in the early 1980's, Lech Walesa said: "Could there be an Earth without the Sun?"

But those days are over. Lech Walesa is no longer an underground dissident, but the President of Poland. While President Walesa wants Radio Free Europe to continue unabated, I respectfully submit that its mission has been accomplished and its best work now lies in training and supporting the growth of independent media in Eastern Europe. Maintaining or increasing current broadcasting—the budget for the Radios will grow by $8 million in fiscal year 1993—can only retard this process.

We should start by phasing out, over a set period of time, the services of Radio Free Europe, and then proceed over a slightly longer timeframe to phase out Radio Liberty, giving the new States of the former U.S.S.R. additional time since their hard-won freedom is more recent. The RFE/RL Research Institute, on the other hand, should be preserved, for their analysis and research on events in the region is helpful. Some pruning may be necessary, but the basic structure and functions should remain intact.

The facts, Mr. President, are that listenership is declining in Eastern Europe and in most of the new countries of the former Soviet Union—particularly in Russia. Availability of news is much less of a problem than it was even a few years ago. An article in the June 12 edition of the independent

newspaper, the Warsaw Voice, said that Radio Free Europe is not as influential as it used to be, and that some of the new Polish radio stations now reach more people.

According to surveys conducted by the Board for International Broadcasting over a 3-month period for each year, listenership in Bulgaria dropped from 18 percent in 1990 to 11 percent in 1991, with 1992 figures not yet available. In Hungary, the figures were 13 percent in 1990, 7 percent in 1991, and 5 percent in 1992. In Poland, listeners declined from 14 percent in 1990, to 13 percent in 1991, to 8 percent in 1992. In Romania, the drop was more dramatic, from 39 percent in 1990, to 14 percent in 1991, to 11 percent today. Only in Czechoslovakia was listenership fairly stable and relatively high, from 21 percent in 1990, to 25 percent in 1991, and back down to 21 percent in 1992.

In the former U.S.S.R., there has not been as much progress toward a free and independent media as I would like. But listenership is down there also. Weekly listenership in Georgia, for example, is 6 percent. In Uzbekistan, the most populous of the Central Asian States, it is 3 percent. In Ukraine, regular weekly listeners stand at 4 percent. And in Russia, the 1991–92 figures range from a low of 2 percent to a high of 10 percent. And most of these listeners are located in Moscow.

Radio Liberty ought to spend its remaining days training independent broadcasters and newspeople in the ex-Soviet Union. Regular listeners to our broadcasts are few because free media outlets have sprouted up in these now-sovereign republics. We ought to support free media in these new countries.

Finally, Mr. President, let me congratulate the hard-working and extremely competent staff at the Voice of America. VOA has served our Nation faithfully over the years, and provided a beacon of hope and inspiration to many oppressed peoples around the globe. Their mission remains a vital one, and they performed admirably during such recent crises as Tiananmen Square and the Moscow coup attempt. My guess is that next year we will be reviewing all our public diplomacy programs, including VOA, and that makes sense. But we ought to bear in mind that people in trouble the world over often turn to VOA, to hear what the United States is doing and thinking. As long as repressive, authoritarian governments exist that deny the truth to their own people, there will be a role for the Voice of America.

Mr. President, our most demanding foreign policy question through the end of this century will probably be the internal and external behavior of the People's Republic of China. There is no question that the Chinese leaders have the power to cause continuing problems for their neighbors, and possibly beyond Asia. We should do what we can to cultivate the successor generation, those who will take the helm from the old men ruling in Beijing. We ought to let the people of China know, in no uncertain terms, that we stand with those yearning for democracy and human rights and self-determination. And we must deliver a more forceful message to the current government that its actions carry consequences.

Beaming the truth to our friends in China and elsewhere in Asia is not, as the State Department views it, a hostile act. It is a friendly act, building a bridge to the vast majority who seek nothing more than to chart their own destinies. I can think of few better foreign policy and national security investments to make.●

REMOVAL OF INJUNCTION OF SECRECY

Mr. BUMPERS. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from the headquarters agreement with the Organization of American States, Treaty Document No. 102–40, transmitted to the Senate today by the President, and ask that the treaty be considered as having been read the first time; that it be referred with accompanying papers to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to approval, I transmit herewith the Headquarters Agreement Between the Government of the United States of America and the Organization of American States ("the Agreement"), signed at Washington on May 14, 1992. I transmit also, for the information of the Senate, the Report of the Department of State with respect to this Agreement.

The Agreement will place the status of the Organization of American States ("OAS") in the United States on a clear legal basis and will underscore our commitment to the Organization. The Agreement in large measure elaborates and codifies the existing arrangements governing the presence of the headquarters of the OAS in the United States. However, it departs from existing arrangements in several respects. It extends diplomatic agent-level privileges and immunities to a small number of high level OAS officials. It exempts non-U.S. national OAS officials from state and local as well as federal income tax on their OAS earnings and benefits. It affords the OAS immunity from judicial process but in exchange for such immunity obligates the OAS to resolve certain (mainly commercial) disputes through a mutually agreed mechanism or, failing agreement, to submit such disputes to binding arbitration.

Although the Agreement provides that the U.S. will not exclude or expel OAS officials or experts for acts performed in their official capacity, Article XVII specifically states that "nothing in this Agreement shall be construed as in any way limiting the right of the United States to safeguard its own security, or its right completely to control the entrance of aliens into any territory of the United States."

Other provisions address the form and substance of the Official Travel Document; the procurement of communications facilities by the OAS; the disposition of the headquarters property in the event the OAS should cease to maintain headquarters in Washington; the provision of public services to the headquarters; and the privileges and immunities accorded OAS officials and experts.

No implementing legislation is required for the United States to perform its obligations under the Agreement. As a treaty, the Agreement will override federal, state, and local law with respect to privileges, immunities and exemptions to the extent such laws are inconsistent with its provisions. The provisions of the Agreement are not inconsistent with U.S. immigration laws, which will provide the basis for meeting the commitments established by the Agreement for the admission of aliens.

I recommend that the Senate give early and favorable consideration to the Agreement and give its advice and consent to approval.

GEORGE BUSH.

THE WHITE HOUSE, *September 21, 1992.*

ORDERS FOR TOMORROW

Mr. BUMPERS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. Tuesday, September 22; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 9:30 a.m., with Senators permitted to speak therein for up to 10 minutes each; that on Tuesday, the Senate stand in recess from 12:30 p.m. until 2:15 p.m. in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BUMPERS. Mr. President, if there be no further business to come before the Senate today, I ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 7:48 p.m., recessed until Tuesday, September 22, 1992, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate September 21, 1992:

DEPARTMENT OF STATE

MARK JOHNSON, OF MONTANA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SENEGAL.

MARSHALL FLETCHER MCCALLIE, OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NAMIBIA.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

ROBERT GREGORY JOSEPH, OF VIRGINIA, TO BE AN ASSISTANT DIRECTOR OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY, VICE MANFRED EIMER.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MARK MCCAMPBELL COLLINS, JR., OF THE DISTRICT OF COLUMBIA, TO BE U.S. EXECUTIVE DIRECTOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FOR A TERM OF 2 YEARS, VICE E. PATRICK COADY, TERM EXPIRED.

PEACE CORPS NATIONAL ADVISORY COUNCIL

FRANK B. HOWER, JR., OF KENTUCKY, TO BE A MEMBER OF THE PEACE CORPS NATIONAL ADVISORY COUNCIL FOR A TERM OF 1 YEAR EXPIRING OCTOBER 6, 1992. (NEW POSITION)

FRANK B. HOWER, JR., OF KENTUCKY, TO BE A MEMBER OF THE PEACE CORPS NATIONAL ADVISORY COUNCIL FOR A TERM EXPIRING OCTOBER 6, 1994. (REAPPOINTMENT)

CRAIG R. STAPLETON, OF CONNECTICUT, TO BE A MEMBER OF THE PEACE CORPS NATIONAL ADVISORY COUNCIL FOR A TERM EXPIRING OCTOBER 6, 1993. (REAPPOINTMENT)

DEPARTMENT OF JUSTICE

BLAINE B. GOFF, OF IOWA, TO BE U.S. MARSHAL FOR THE SOUTHERN DISTRICT OF IOWA FOR THE TERM OF 4 YEARS, VICE WARREN D. STUMP, RESIGNED.

CHARLES F. LITTLE, OF WEST VIRGINIA, TO BE U.S. MARSHAL FOR THE NORTHERN DISTRICT OF WEST VIRGINIA FOR THE TERM OF 4, YEARS VICE RONALD A. DONNELL, RESIGNED.

EXTENSIONS OF REMARKS

VA STEPS IN TO HELP HURRICANE VICTIMS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. MONTGOMERY. Mr. Speaker, in the days since Hurricane Andrew unleashed its devastating force on the citizens of Florida and Louisiana, we have witnessed a wonderful outpouring of aid and support and learned of many heroic efforts to assist those who lived in the wake of the storm.

Though they will tell you they are just doing their jobs, I would like for my colleagues to know of the outstanding response of VA personnel to this disaster. From both a medical and benefits standpoint, the employees and volunteers who work in the VA system—both in the affected sites and from as far away as Washington and Arizona—continue to play a leading role in providing critical services to the storm's victims.

I would like to take this means to thank Tom Doherty, the Director of the Miami VA Medical Center, who earlier this year was honored by AMVETS as "Civil Servant of the Year" in recognition of his outstanding leadership and management abilities. Tom and all the VA people who have worked in this relief effort have earned commendation for their selflessness, compassion and dedication. Though the following report of their activities prepared by the VA Central Office is only a brief summary, it speaks of more than just someone doing their jobs.

VA ACTIONS IN RESPONSE TO HURRICANE ANDREW

FLORIDA MEDICAL

The Miami VA Medical Center is serving as a base for the Federal Emergency Management Agency, Disaster Medical Assistance Teams as well as providing them with pharmaceuticals.

Physical damage at the hospital has been brought under control. The air conditioning was out of service following the storm. VA engineers found a way to pump water into the air conditioning system from surrounding wells and a nearby creek, and had it functioning again within two days. There were five breaks in the city water main between the pumping station and the VAMC leaving the medical center without water. As a result, they were having bottled drinking water shipped in until the water main breaks were repaired. The VAMC Engineering Department pumped nonpotable water to several points on each floor of the hospital for use in washing and flushing lavatories. These conditions combined to challenge the staff while they kept the hospital operational. City water was restored to the medical center and certified for use by Monday morning, August 31, a week after the hurricane struck. Obtaining food and other supplies for the patients has not been a problem.

In the storm area, 14 private sector hospitals and 7 community nursing homes were evacuated. VAMC Miami proved its quality, preparedness, and the resolve of its dedicated staff by remaining operational.

A major clean-up effort is underway at the medical center to repair water damage and broken windows, and to remove fallen trees. They are receiving support from our surrounding facilities, when needed. The ambulatory care clinics at the medical center did not reopen until August 31; however, the outpatient clinics in Riviera Beach and Oakland Park reopened their doors to patients beginning the day after the hurricane.

Medical center activities have stabilized, and management is now working to provide food, clothing, and temporary shelter to over 300 medical center employees and their families who lost their homes and belongings to the storm.

Miami Area

Three fully staffed VA mobile clinics were ordered into the area. The health care teams provide medical services to anyone in need of care. Two were flown in by the Air Force (from Spokane, WA. and Prescott, AZ.) The third van was driven from Fayetteville, North Carolina. The bus size vans are staffed by physicians, nurses, medical technicians, and drivers. One was visited by the Chairman of the Joint Chiefs of Staff, General Colin Powell, who was very favorably impressed. By September 14, the mobile clinics had treated over 5,000 patients.

An emergency team, comprised of 40–50 medical personnel from the Bay Pines, Tampa and Gainesville VA Medical Centers, headed by VA's Medical Inspector Dr. Lewis Mantel, is providing humanitarian medical services at the Oakland Park VA Outpatient Clinic and the Miami VA Medical Center. Anyone seeking medical care can report to either facility. Any medical supplies needed by emergency medical providers are being made available through VA procurement stocks.

VA representatives at the FEMA Disaster Field Offices have assisted with contracting and acquiring scarce commodities. The VAMC Miami pharmacy has provided nonformulary items to the FEMA Field Medical Units.

FLORIDA BENEFITS

For those with VA benefits needs, mobile benefits information vans and staff have been sent to the Miami area and are operational. Additional benefits counselors are at emergency relief centers. They can provide aid in programs administered by VA including filing necessary forms, contacting insurance claims agents, encouraging lenders to be lenient with VA guaranteed loans, and ensuring appropriate continued student benefits.

Volunteers from the VA Regional Office arrived in the Miami area during the week following the storm to work in conjunction with FEMA at Disaster Application Centers.

The St. Petersburg Regional Office has imposed a 90-day moratorium on foreclosures and default notifications in the three county area (Broward, Dade, and Monroe).

Our Veterans Benefits Administration has made special arrangements to advise home owners calling for information on their home owners insurance and how to contact their claims agents. We have made special arrangements to expedite all requests for assistance.

We have identified more than 380 wards from our Fiduciary/Beneficiary System in South Dade County and we are attempting to contact all of them to determine if they are in need of food, clothing or shelter. If we are not successful in contacting the clients directly, then we will try to contact the guardian. If we are not successful, we will put additional Field Examiners in the area for one-on-one assistance.

Our Readjustment Counseling Service sent a team of stress counseling experts to the area to counsel victims and provide training and debriefing for caregivers. The counselors, including those who speak Spanish, have been at seven sites providing psychological services to victims, metropolitan police and fire departments, and the staff of several hospitals. At the request of the Dade County school system, VA has also provided stress counseling to school children. They are still currently working at the Miami Vet center. The medical center is also providing counseling, debriefing and training.

The U.S. Postal Service has begun delivering Treasury checks (to include VA Compensation and Pension checks) through remaining local post offices and mobile post offices. VA has issued news releases telling beneficiaries what to do if their checks are delayed.

LOUISIANA

New Orleans

The New Orleans Medical Center, as part of its effort prior to the arrival of the storm, boarded up exposed areas deemed to be at risk, and tested emergency generators and pumps. The only damage reported is an overturned guard shack at a remote parking lot. Many employees, especially the police and nursing staff, worked 36 hours straight to care for nursing home patients who were evacuated from community facilities.

Baton Rouge

The Baton Rouge Outpatient Clinic is reported to have suffered damage. In addition, the eye of the hurricane passed through the Baton Rouge National Cemetery and the state veterans nursing home. All suffered many fallen trees. A more thorough assessment of the damage is underway.

Alexandria

Hurricane Andrew was a tropical storm by the time it reached the VA Medical Center at Alexandria. There were some trees and limbs brought down but the damage was not extensive. In a humanitarian effort, the VAMC housed about 410 people from southern areas of the state. The medical center's average daily census is about 346 patients. VA officials found space for the additional people by utilizing vacant wards and other available areas.

In addition to providing temporary shelter, Alexandria established two day care centers for nearly 100 children who were part of the group. Of those fleeing the storm, 70 were from a community nursing home in New Orleans, and a few required medical treatment. By August 28, only one of the 410 people who

sought refuge was still at the Medical Center. This individual required hospitalization. Many employees worked overtime to care for our veteran patients, and the additional residents. Their efforts, under trying conditions, exemplify the VA's commitment to help the victims of this devastating storm.

Crisis Counseling

VA Readjustment Counseling Service has sent a team of stress counseling experts to the affected areas. They are assigned to five sites and have provided counseling to some 1,000 people and conducted crisis debriefings, group crisis counseling and screening. At many sites, Readjustment Counseling staff from our vet centers have been the first point of contact for disaster assistance applicants. At the Morgan City FEMA Center, Veteran Center counselors interviewed every relief applicant to determine veteran status and/or their need for crisis counseling.

HAWAII

Following Hurricane Iniki in the Hawaiian Islands, the VA Emergency Medical Preparedness Office staff provided assistance to VA facilities and the community. The outpatient clinic at Wailua was sent an emergency generator. They then offered mental health and primary care services to veterans and the community.

THE BROWN FOUNDATION: A SUPERFUND SUCCESS STORY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. MAZZOLI. Mr. Speaker, I would like to share with all my colleagues the testimony of Mr. Stanley F. Hugenberg, Jr., a trustee of the James Graham Brown Foundation of Louisville, KY, regarding the administration of the Federal Superfund Program.

The Brown Foundation has a long and distinguished record of philanthropy in our community bestowing gifts to many worthy causes in civic affairs, economic development, education, and health-related endeavors.

Mr. Hugenberg was asked to appear before the House Public Works Subcommittee on Investigations and Oversight to testify to the Brown Foundation's success in the cleanup of a hazardous waste site that was on the Superfund National Priorities List. The hazardous waste site had at one time been a property owned by the late Mr. Brown and subsequently the Brown Foundation was required to participate in the cleanup effort.

Reflecting the Brown Foundation's reputation in the realm of philanthropy, the trustees set in motion an aggressive and innovative program to remedy this situation.

Mr. Speaker, it has been my pleasure to work with the Brown Foundation trustees on this problem and a number of other projects more in line with their charitable tradition. In fact, I have spearheaded legislative efforts which permit the Brown Foundation—and other charitable organizations—to clean up environmentally unsound areas and, at the same time, contribute money to worthy charities.

On August 3, I was pleased to have joined my colleague from Kentucky, JIM BUNNING, in voting for H.R. 5644, a bill which treats costs incurred by a private foundation in cleaning up hazardous substances as charitable payments. I hope the Senate can act on H.R. 5644 favorably and then send it to the President's desk for his signature into law.

Mr. Hugenberg's report shows that good things can come of a mutually responsible and cooperative working relationship between the private sector and the Federal Government in the environmental field.

I commend the Brown Foundation for its leadership in yet another worthy cause and hope that all my colleagues in the House will draw inspiration from Mr. Hugenberg's comments and benefit from the Brown Foundation's trailblazing example.

TESTIMONY OF STANLEY F. HUGENBERG, JR.

Mr. Chairman and Members of the Committee. My name is Stanley F. Hugenberg, Jr. and I am a Trustee of the James Graham Brown Foundation, a non-profit charitable organization based in Louisville, Kentucky. The Foundation appreciates having received an invitation from this Committee to testify before it regarding the positive results the Foundation has had in working with the United States Environmental Protection Agency and the Florida Department of Environmental Regulation to implement an innovative technology to clean up an abandoned hazardous waste site.

By way of background, the James Graham Brown Foundation was formed by the late James Graham Brown, who died in 1969. The purpose of the Foundation is to assist worthy causes through a grant process. Our grants since the inception of the Foundation total over $127 million, and include such recipients as projects in the fields of civic affairs, economic development, education and health and general welfare. The Foundation is very proud of its record of gift giving, and has had the good fortune to have its assets grow from approximately $80 million at the time of Mr. Brown's death in 1969 to approximately $230 million today. The Foundation currently gives approximately $11.5 million to needy causes every year.

When Mr. Brown died in 1969, he bequeathed all of his assets to the James Graham Brown Foundation. One of the assets bequeathed to the Foundation was a wood preserving company that had operated facilities in three states, including a plant in Live Oak, Florida. Because of the Foundation's status as a non-profit charitable organization, the Foundation was required to divest itself of the wood preserving company pursuant to Internal Revenue Service guidelines. That divestiture was accomplished in 1980.

In 1983, the Brown Foundation was informed by U.S. EPA that an environmental problem had been discovered at a wood preserving facility located in Live Oak, Florida. This facility has previously been operated by a number of different companies, including one owned by Mr. Brown. Most of these other operators were now defunct. However, the Brown Foundation, by virtue of having received a bequest from Mr. Brown, was informed by EPA that it had responsibility to address environmental contamination at the Live Oak site, which had been placed on the Superfund National Priorities List. The Foundation, in cooperation with one other viable operator of the site, moved forward aggressively and in a responsible fashion to formulate a plan to determine the scope of any environmental contamination at the Live Oak site, and to develop remedial alternatives. The Foundation sought and received guidance from U.S. EPA on the process for conducting the investigation and for initiating a cleanup. In that regard, the Foundation retained an environmental consulting firm that had considerable experience in dealing with an innovative technology—biological degradation—to destroy any hazardous chemicals that may have been found in wood preservatives. The Foundation was fortunate to have located this expertise, and Mr. John Ryan of Remediation Technologies, the Foundation's consultant, will be speaking to you today about the technical aspects of the remedial effort.

From the very beginning of the Foundation's involvement with the Live Oak site, the Foundation adopted a policy of moving forward aggressively to correct the problem and to initiate corrective measures as quickly as possible to reduce any further threat to the environment posed by residual wood preservatives at the Live Oak site. The Foundation, like many others, had read in the newspapers about the slow pace with which the Superfund remedial process was conducted. The Foundation fully expected, based upon those media reports, that the cleanup process would be extremely slow and painful.

I am here today to tell you that our experience was just the opposite. When the Foundation proposed a creative technology that would quickly and efficiently detoxify this site, the U.S. EPA and FDER committed their resources to an accelerated remediation process. That process has led to a successful completion of the remediation at the site by biological degradation in less than 18 months. The Live Oak site is now a candidate for delisting from the National Priorities List under Superfund as a result of the prompt agency response. The Foundation is grateful for the cooperation given to it by U.S. EPA and FDER in attaining this common goal. In addition to cleaning up a Superfund site, the initiation of the corrective measures in a prompt fashion helped the Foundation to preserve its Trust for other charitable recipients. Had the process been a long, dragged out one, the Foundation would have surely incurred significant additional expenses, thereby depriving a number of charities of an opportunity to receive grants from the Foundation. I am here today to express the appreciation of the Brown Foundation to U.S. EPA and FDER for their assistance in bringing about a prompt solution to this problem. As a result of this positive experience, our Foundation has recently authorized an additional grant to U.S. EPA and the Department of Agriculture for research into additional biological degradation techniques that may be used to detoxify other sites like the Live Oak site. We believe that such an investment will benefit all citizens. Thank you for inviting me to speak to you today.

ANTI-HUNGARIAN ETHNIC OVERTONES OF SOCCER VIOLENCE IN SLOVAKIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. LANTOS. Mr. Speaker, following a hotly contested soccer match last Wednesday in Bratislava, Slovakia, violence erupted between Hungarian supporters of the Ferencvaros team from Hungary and the Slovan Bratislava team from Slovakia. Violence involving soccer fans is hardly new and hardly surprising, given the

intensity of competition and the rowdy reputation of the fanatic zealots who follow their home teams to key matches.

This outbreak of violence, however, raised new, ugly, and extremely serious questions about the anti-Hungarian overtones of the intemperate action by Slovak authorities. There seems to be no doubt in the accounts of the incidents that both Slovak and Hungarian fans were engaged in improper activities and that police action was probably appropriate.

It was outrageous and unacceptable, however, that at least some Slovak commandos wore black hoods to mask their identity. Furthermore, Hungarian officials who were present reported that Slovak police attacked Hungarian fans with particular brutality and did little against Slovak fans who were equally rowdy. The number of injuries officially reported seem to confirm that Hungarian Government assessement—14 or 15 Hungarians were treated for injuries, while only 1 Slovak was treated.

Mr. Speaker, over half a million ethnic Hungarians live in Slovakia. They have been subject to various forms of discrimination against them by Slovak authorities over many years, and to particular discrimination since the establishment of a Communist government in 1948. With the end of the Communist government in 1989, there was hope that conditions for the Hungarian minority in Slovakia would improve. Unfortunately, that has not been the case.

The revival of extreme Slovak nationalism—shown most graphically in the results of the recent elections in Slovakia and the decision by the Slovak Government to establish a separate independent and sovereign Slovak republic—raises serious questions about the treatment of ethnic Hungarians.

For ethnic Hungarians living in Slovakia, the unnecessary violence by masked police forces against Hungarians from Hungary at this soccer match raises the most serious questions of intimidation. The unnecessary police violence against Hungarians from Hungary attending this soccer match was really a message aimed at ethnic Hungarians in Slovakia: "Don't get out of line—we control the police."

Mr. Speaker, the rise of nationalist tendencies in Europe is a most serious threat to the peace, stability, and prosperity—not only of Slovakia—but of all of central and Eastern Europe as well. It is in the interest of the new government of Slovakia clearly and unequivocally to condemn any discrimination against its ethnic Hungarian citizens and take steps to assure that all citizens of the new state of Slovakia are treated fairly and without discrimination.

HONORING ANNETTE WEISS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. ENGEL. Mr. Speaker, today I join the friends and colleagues of Annette B. Weiss as they recognize her retirement after 35 years of teaching. A native daughter of the Bronx, Annette has served as a teacher, teacher trainer, coordinator, assistant principal, and most recently as principal of Public School 68. Her dedication to her profession and to her students has earned her a special place in the hearts of hundreds of people she has touched in a positive way.

Annette's activities have also extended to the Bronx community, where she has served as parent association president at both the Yeshiva Salanter and the SAR Academy, as well as secretary of the community board at Montefiore-Albert Einstein College of Medicine.

I am sure the people most proud of Annette's achievements are her loving family, including her husband of 39 years, their two children and three grandchildren. They are all also owed our thanks for allowing Annette to spend so much time helping her students and neighbors.

But most of all, the Bronx community extends its gratitude to Annette Weiss for devoting so much of herself to better the lives of so many young people. She surely stands as an inspiration to her students and a shining example to her colleagues. We wish Annette health and happiness in her retirement.

TRIBUTE TO GAIL DUNCAN-CAMPAGN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. BONIOR. Mr. Speaker, on the evening of September 23, Gail Duncan-Campagn will be honored by receiving the "Alexander Macomb Citizen of the Year Award" at Penna's of Sterling Heights. I am very pleased to join the March of Dimes in paying tribute to a remarkable individual who has generously contributed her time and energy to our community.

Assuming an active role in our community is a responsibility we all share, but few of us fulfill. Gail Duncan-Campagn has unfailingly devoted herself to this task. While a dedicated and thorough professional for over 17 years, Ms. Duncan-Campagn has always been affiliated and involved with many community organizations. She has been involved with the Utica Business and Professional Women's Club, the Girl Scouts of Macomb County and the Greater Utica Optimist Club, to name a few.

Mr. Speaker, through her commitment and hard work, Gail Duncan-Campagn has touched countless lives as an active, responsible citizen. On this special occasion, I ask that my colleagues join me in saluting the fine accomplishments of Gail Duncan-Campagn and extend to her our best wishes for all her future endeavors.

GOODBYE TO THE KING OF THE NIGHT COURTS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mrs. SCHROEDER. Mr. Speaker, Mr. G. Van Standifer, commissioner of Midnight Basketball died last week at his home in suburban Maryland. Members of Congress on both sides of the aisle will mourn this loss, because Van Standifer's inspiring work with high risk youth touched us, motivating bipartisan enthusiasm for a proposal to fund midnight basketball on a demonstration basis throughout the country.

Van Standifer was recognized by the Points of Light Foundation; his program has hundreds of fans spanning corporate, nonprofit and volunteer sectors. This public/private partnership has spread to 34 cities, and the first National Conference of Midnight Basketball Leagues was held just this past summer.

In his "Letter from the Founder" in the July issue of the League Newsletter, Van Standifer explained that midnight basketball gives young men "hope and a reason to stand tall." Not only do players have to stay out of trouble to remain in the league, but they must also attend classes that lead to degrees, job skills and health awareness. Midnight Basketball gives them coaches, team owners and workshop leaders to look up to and to emulate. Families and friends attend games and cheer the players, having fun themselves and showing strong support for this wholesome alternative to late-night temptations on the street.

You do not have to be a great player to participate in the Midnight Basketball League—you just have to attend the practice and educational sessions regularly, and follow the coach's advice. Sometimes that advice is as basic as how to get your fingernails really clean before a job interview, but nobody ever cared enough to give it to these kids before.

Despite a large number of cosponsors for our midnight basketball bill, and inclusion of this proposal in the crime bill conference report, we have not yet been successful in funding midnight basketball during this Congress. I hope that we can move quickly now to express our appreciation for Mr. Van Standifer's dedication and vision by bringing this wonderful prevention program to more of the young people that meant so much to him.

AZERI ATTACKS AGAINST ARMENIAN POPULATION CONTINUE

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. OWENS of Utah. Mr. Speaker, as I rise today, gunfire is sounding in Armenia and Nagorno-Karabagh. Innocent victims are being killed and wounded every day. Just 2 days ago, a Parliament member of the Armenian Republic was shot down in Nagorno-Karabagh, the second member of the Armenian Parliament to be killed there by Azeri sol-

diers. The last rail link into Armenia was also blown up, effectively severing transport of desperately needed food, fuel and medical supplies into Armenia.

Despite cease-fire agreements, Azeri artillery attacks against the Armenian population in Karabagh continue. Blatant cease-fire violations by the Azeri are jeopardizing the CSCE's peace talks on Karabagh. After the breakdown of Karabagh talks last week in Rome, Azeri forces intensified their attacks on Armenian villages, in a pattern that is strikingly similar to Serbian aggression in Bosnia and Croatia. According to Russian radio, Azeri experts predict the resolution of Karabagh violence through the voluntary resettlement of Armenians into Armenia. Azerbaijani's Defense Minister asserts that peaceful coexistence with the Armenian population is an Azeri goal, but his claims are countered by the forcible ethnic cleansing of Azeri territory we are witnessing.

Eight months ago when I learned that our Government was to establish formal diplomatic relations with Azerbaijan, I protested. But Secretary Baker said that United States diplomatic representation in Baku was necessary to negotiate a peaceful resolution of the conflict. Despite continued gross violations of human rights in Azerbaijan against innocent Armenians, the State Department felt that Azeri Government promises of future good behavior were sufficient assurance for establishing full diplomatic ties with the newly independent Republic of Azerbaijan. Yet the deportations and bloodshed have only worsened.

Today I again urge our Government and also the U.N. Security Council to call for the deployment of U.N. peacekeeping troops in the autonomous Republic of Nagorno-Karabagh. In addition, we should encourage Russian President Boris Yeltsin's active involvement in removing Azerbaijani armed elements from Nagorno-Karabagh. As outlined in my Azeri Sanctions Act, our Government should not provide benefits and assistance to Azerbaijan until blockades and offensive force against Armenia and Armenians cease, and until the human rights of Armenians and other minorities within Azerbaijan's borders are restored.

The administration should press our Ambassador to Baku to make it clear to Azerbaijan's Government that Azeri aggression will not be rewarded, and will be countered by various diplomatic sanctions and possible other measures. If these unprovoked Azeri attacks continue, we should immediately withdraw our Ambassador from Baku until the Azeri siege and the resulting hardship and deprivation come to an end.

According to BBC radio, the Helsinki Human Rights Commission has appealed to the United Nations to actively mediate the spreading Azeri-Armenian confrontation—but, as we have seen elsewhere, the international community is indifferent and unwilling to become involved in areas of interethnic conflict. To justify their inaction, cynics claim that blame can be found on both sides; but, ladies and gentlemen, let us not confuse the victim with the aggressor. Before the violence in Karabagh spreads to other regions, the United States and its democratic friends must send a message to the Azeris that nationalist aggression does not pay—that the forcible changing of borders will not be accepted. If we are slow to recognize who is the victim and who is the perpetrator of such nationalist violence, we silently help to perpetrate this senseless violence and destruction.

America must make it painfully clear to Azerbaijan that human rights violations will not be tolerated, that aggression will not be countenanced, and that all blockades and violence must cease immediately or Azerbaijan risks economic and diplomatic isolation.

TRIBUTE TO BELLMAWR PARK VOLUNTEER FIRE CO.

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. ANDREWS of New Jersey. Mr. Speaker, on October 3, I will be attending a celebration in the town of Bellmawr Park commemorating the 50th anniversary of the Bellmawr Park Volunteer Fire Co. For the RECORD, I would like to submit a short history of this outstanding organization. I hope their success continues in the future.

BELLMAWR PARK VOLUNTEER FIRE CO. PROTECTING LIVES AND PROPERTY SINCE 1942—50 YEARS OF DEDICATED SERVICE OCTOBER 3, 1992

Bellmawr Park was built during the Second World War by the Federal Government to house workers that were employed in the defense industry, New York Ship, etc. The Federal Government managed this housing project until it was purchased by the tenants and became The Mutual Housing Corporation.

Because of the times, this community, like others, had a strong civil defense organization. Eleven of the Civil Defense Fire Wardens became Charter Members of what we now know as Station 33.

In the spring of 1942 there was a fire in a coal box that was attached to what is now known as 772 Carter Avenue. (then Edgemont Avenue) This fire was extinguished by the Civil Defense Fire Wardens with a garden hose.

After the Carter Avenue fire, the wardens felt the need for a fire department on the west side of town to assist the existing Bellmawr Fire Department that was, and is now, located on the east side of town. They met with the mayor and expressed their feelings. The mayor stated that if they could supply the facilities to house a new department, he would supply a truck.

The Civil Defense Fire Wardens met with the administrators of the government housing project and described their purpose and needs. The administrators, realizing the need, provided two W.P.A. "shacks," the necessary land, and the utilities that would be required.

The "shacks" were assembled and a 1920's vintage Reo fire truck was delivered. The Bellmawr Park Volunteer Fire Company was organized by the eleven fire wardens in November of 1942 and became a corporation on November 4, 1943. Our first President was John J. Sipple, and our first Fire Chief was Mike Bruno.

The Bellmawr Park Volunteer Fire Company Ladies Auxiliary was incorporated in 1945. The first President of the Auxiliary was Sue Sipple.

The years that followed were a lot of work and a lot of fun. The firemen and ladies worked well together.

In 1946 a new Ward LaFrance Pumper was purchased. The Ladies Auxiliary supplied the rear lights for this truck.

Looking forward, the members started a scrap drive to fund operations and expansion. On Saturday mornings, members used a Ford Model A Truck and a Ford Model B Truck to collect newspaper and other items that could be sold.

In the 1950's construction began on a new firehouse that was to replace the original building. This continued with constant improvements, additions, sweat, blood, and after the 1979 fire, many tears. The 1950's also brought Bingo, a 1948 American LaFrance Pumper, a new 1958 Oren Pumper, and a new 1959 Ford/Great Eastern Utility Truck.

In the 1960's a new 1963 Oren Pumper and a used 1947 American LaFrance Ladder Truck were purchased.

In the 1970's a new 1971 Imperial Pumper and a new 1978 Pierce Mini Pumper were purchased.

On June 13, 1979, disaster struck. Fire consumed our station. We saved our apparatus and a few momentos. A bronze plaque of the fireman's prayer that was presented to us by the Ladies Auxiliary in 1973 was twisted and discolored by the intense heat of the fire. Most of the discoloration has been removed from this plaque and it is now part of the memorial that was dedicated in memory of our deceased members in 1990. We elected not to straighten it, but to have its distorted form be a reminder of our heritage. Another thing that survived the fire is an antique safe that is still in use. It probably dates from the late 1800's.

One thing that surely was not lost in the fire was the Bellmawr Park Fire Company "SPIRIT." Our new building was erected and dedicated in just one year. This is a tribute to the officers and members that served at the time. Dedication was June 14, 1980.

The 1980's brought new challenges that were met. We purchased a new 1982 Grumman/FireSpire 106 foot Aerial Ladder Truck, a new 1988 Starcraft Rescue Boat, a new Hahn 1500 GPM Pumper, and a new chief's car.

In the 1990's we have added vehicle rescue equipment to our apparatus. With a Boy Scouts of American Charter, a Fire Explorers Post, "Junior Brigade," was organized in May 1991. A 1992 Road Rescue Utility Vehicle was acquired this year, but our towering achievement is a membership that exceeds 100.

The operation of our totally volunteer organization is presently funded by renting our social hall, hosting various parties, holding bingo on Wednesday evenings, and with an annual fund drive. The Ladies Auxiliary have fund raising projects, and they assist in all of our endeavors.

APPARATUS IN SERVICE 1992

1992 Road Rescue Utility Vehicle.
1988 Hahn 1500 GPM Pumper/Foam Unit.
1988 Ford Chief's Car.
1988 Starcraft 19' Marine Unit.
1982 Grumman/FireSpire Aerial ladder.
1971 Imperial 1250 GPM Pumper/Foam Unit.
12' Marine Unit (year unknown).

We the officers and members of the Bellmawr Park Volunteer Fire Company and Ladies auxiliary are proud to boast: over time, the faces of individual members serving our organization may change; however, as a unified group, Bellmawr Park Volunteer Fire Company's dedication to protecting the public always remains constant.

A TRIBUTE TO SECRETARY DERWINSKI'S 35 YEARS OF PUBLIC SERVICE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. CRANE. Mr. Speaker, many of my colleagues had the honor of serving in Congress with the current Secretary of Veteran's Affairs, Edward J. Derwinski. Recently, Secretary Derwinski was featured in an article in the September 4, 1992 edition of the Chicago Tribune lauding his years of public service as a Member of Congress, as Undersecretary of State for National Security Affairs, and as Secretary of Veterans' Affairs. Without a doubt, Secretary Derwinski, is most deserving of this tribute and I submit this article to my colleagues, who can attest to the accomplishments of his illustrious career.

WASHINGTON WAR HORSE

(By Michael Kilian)

WASHINGTON.—In the lean, preppy, Ivy League Bush administration, Loyola night-school grad Ed Derwinski is one of those guys who cannot easily button their suit jackets. Even in a pin-stripe suit, Derwinski seems pretty much what he was when he began his political career 36 years ago: the head of a mom-and-pop Polish savings and loan in Chicago's South Side neighborhood of Roseland.

Yet the affable, unpolished glad-hander has proven to be one of the smartest people in town.

With a political base that lay largely with the Kiwanis and local chamber of commerce, the then-29-year-old World War II Army veteran made a naive but successful run for a two-year term in the Illinois House. Twenty-three years in Congress and six in the State Department followed.

Now the Big Cheese, as he is known throughout his agency, is in his fourth year as the nation's first secretary of veterans affairs, a post recently elevated to Cabinet status and one that has embroiled him in constant controversy—including a recent call for his resignation by the Veterans of Foreign Wars.

But for all his time at the top of Washington's stuffy heap, the big, beefy, 65-year-old Derwinski remains an unassuming "Howya doin'," Chicago-style Republican pol, right down to his ultrashort, meatpackers-bowling-league haircut and a deep, rumbly, Midwestern-accented voice.

He's a shrewd, battle-scarred insider known best for, of all things, his friendliness and his principles. He's an almost religiously anticommunist conservative, but one with friends on both sides of the partisan fence and all over the ideological landscape. He's a consummate capital survivor, though he still considers himself first and foremost a Chicagoan and looks forward to the day when he'll return to his roots.

Derwinski runs the Department of Veterans Affairs, the largest bureaucracy in the federal government after the Defense Department—245,000 employees—and one where the bright-checked sports jackets that once were his trademark would not seem out of place.

But the Roseland Kiwanian made some of his most notable career achievements at the State Department, an arena famous for its Savile Row and Brooks Brothers haberdashery, its priestly clannishness and Brahmin snottiness, and the elegance with which its soft-spoken brotherhood is known to insert the political shiv into the collegial back.

Derwinski was the person officials turned to when they really had to get something done, especially if it involved working out an agreement behind a closed door.

After losing his congressional seat in an election after the 1981 reapportionment, Derwinski became one of the then-Secretary of State George Shultz's top aides and his chief trouble-shooter. In six weeks he settled nasty fishing disputes that had lasted 15 years, and handled other fractious matters. He ultimately rose to the lofty rank of undersecretary of state for national security affairs.

Many careerists in the State Department greeted his arrival there with resentment or snickers. Shultz's chief deputy, John Whitehead, was an entrenched foe of Derwinski's. Shultz's successor, James Baker, offered Derwinski an easy out: ambassadorial appointment either to Poland or to Yugoslavia. He declined, citing a conflict because of his hatred of communist governments. Two weeks later, his old friend George Bush called to ask him to join his Cabinet.

In Congress, Derwinski had been the second-ranking Republican on the House Foreign Affairs Committee and a leading behind-the-scenes operative. He was a delegate to the United Nations and a major player in the worldwide Interparliamentary Union, an international organization of members of parliamentary bodies.

His close friends and longtime contacts include not only President Bush, whom he first met in Congress, but also chiefs of state and foreign ministers all over the world. Iceland accorded him its highest honor in making him a commander of the Order of the Falcon—doubtless the only such honoree who keeps a stuffed Chicago Bears bear on his office couch.

No one in Washington is without enemies, and Derwinski has made his share. At its convention last month in Indianapolis, for example, the VFW adopted a resolution calling for his resignation and accusing him of failing to champion the needs of veterans. The American Legion and the Disabled American Veterans refrained from joining in.

Derwinski's recent ban on smoking and cigarette sales in the nation's 172 VA hospitals incurred the instant wrath of two leading spokesmen on veterans issues in the House, Reps. G.V. "Sonny" Montgomery (D-Miss.) and Harley Staggers (D-W. Va.).

A TOUGH CONSTITUENCY

Derwinski treats the VFW's complaints seriously, but as predictable opposition that comes with the job. "This is a tough job," he says. "We have a constituency that needs us, but is also very demanding."

The VFW leadership, which expressed similar displeasure with four of Derwinski's predecessors, had asked for his head earlier in his tenure, when he agreed to a request from the Bush administration POW-MIA negotiators to encourage Vietnamese cooperation by providing them with $250,000 in obsolete VA medical equipment that was going to be junked. Although the Vietnam War ended nearly 20 years ago, many veterans still view Hanoi as the enemy.

The VFW was outraged, too, by Derwinski's concurrence in a proposal by Louis Sullivan, secretary of health and human services, to allocate empty beds in two underused VA hospitals at Salem, Va., and Tuskegee, Ala., for the care of mostly indigent patients who had no other medical facilities available locally.

The main concern was that the move could start the VA hospital system down a slippery slope leading to its amalgamation into a network of federal welfare medical facilities.

Both controversial policies have been rescinded. The VFW supported Montgomery's and Staggers' efforts to overturn the smoking ban, some veterans arguing that the military once issued cigarettes with C-rations and is now trying to take them away.

A longtime non-smoker, Derwinski argues that it's not a veterans-rights issue but a health issue, that smoking areas have been set up in convenient outdoor shelters, that smoke-free hospitals are becoming the norm in the U.S. and that the VA hospitals could lose their accreditation if they don't go along.

SHAKING THE MONEY TREE

More baffling is the complaint that Derwinski has been shorting veterans in terms of spending. At a time of staggering federal deficits, when virtually every other federal department is being hit with freezes and cuts, Derwinski got an upfront, supplemental $700 million for VA health care out of Bush when he took over the job, and has increased VA hospital spending by $1 billion in each of the last three years despite stubborn opposition from budget director Richard Darman.

Even Rep. Lane Evans (D-Ill.), probably the VA's chief critic in the House, acknowledged Derwinski's effort. "The man is trying," Evans said.

Among Derwinski's challenges: Helping VA hospitals start specializing in geriatric medicine because of the age of World War II veterans, and accommodating the 10 percent of the nation's hospitalized AIDS patients who are among the 1.1 million veterans that VA hospitals treat every year.

Derwinski's supporters think he'll meet the challenges and survive the flak.

"I'll stand with my old friend Eddie," said U.S. Appeals Court Judge Abner Mikva. A former Illinois member of Congress and an outspoken liberal Democrat, Mikva is the ideological opposite of Derwinski, and they've frequently differed on partisan matters.

"He was always a joy to deal with," said Mikva, now one of the most powerful federal judges in Washington and often mentioned as a possible Democratic nominee for the Supreme Court. "He reflects what ought to happen to people after they get elected to public office. He has continued to grow and learn and has never lost sight of what he feels is best for the country."

Another admirer is Jeffery Bergner, a respected Washington foreign-policy consultant, author and adjunct professor on foreign affairs at Georgetown University. In the 1980s he was staff director of the Senate Foreign Relations Committee and a White House adviser.

"When you first see Ed," Bergner said, "you think that you're going to get bowled over by him—this large, forceful-sized guy. But beneath his exterior, he's actually a very subtle guy. He's always able to find the point [in disputes] at which agreement can be made—in a subtle way. He's done this in a lot of tough situations. He doesn't play to the grandstand. I think the problem [at the State Department] was that he's goal-oriented while they're process-oriented. I do greatly admire him."

"IF YOU'RE SO SMART. . ."

Derwinski's grandparents were typical of the Polish immigrants who settled in Chi-

cago in the late 19th Century. One grandfather had been a peasant farmer, the other a factory worker. His father, Woziech, started a small savings and loan association in Roseland when those neighborhood institutions were established along ethnic lines.

"Our big breakthrough came when the Germans and other ethnic groups started making deposits," Derwinski said.

Derwinski served in the Pacific at the end of World War II and was among the first U.S. Army troops to occupy Japan.

When his father died in 1947, he took over the family business, eventually increasing its assets from $1 million to $13 million.

In a legislative remap in 1956, the machines of both political parties fixed it so the state senator and all three state representatives from Roseland's district would be from the south Chicago area on the other side of Lake Calumet. A neighborhood protest meeting was held, and young Derwinski was one of the angry speakers. He was told: "If you're so damn smart, why don't you run?"

Derwinski did, and with the help of the predominantly Republican Dutch ethnics of Roseland (the Polish vote being largely a lock for the Democrats), he won the primary and a seat in Springfield.

THE DIPLOMATIC THING

During his one term in the Illinois House, he and his liberal Democratic friend Mikva sponsored a bill that made history for receiving the fewest "aye" votes ever for a measure called on the House floor. It would have eliminated straight-ticket, one-pull voting.

"Ed and I cast the only votes for it," Mikva said. "Later, I remember treating him to a few drinks at a watering hole called the Lake Club. He was lamenting that he didn't think he stood a chance of getting re-elected. Next thing I knew, he got elected to Congress."

Derwinski became a friend of Bush's during their time in Congress. In 1980, when most other conservative Illinois Republicans were marching lockstep for Ronald Reagan, Derwinski went to the convention as an elected Bush delegate.

After Derwinski lost his remapped congressional seat in a primary fight in 1982, Bush and Shultz, another friend of Derwinski's from his Chicago days, tapped him for the post of State Department counselor.

He sat as a member of Shultz's inner circle, and was invariably sent in when negotiations being handled by careerists bogged down, securing treaties ending long-festering disputes over American navigation rights in Canada's Northwest Passage, Iceland's role in NATO, and all manner of fishing quarrels.

"You didn't need to know the diplomatic thing," he said. "What you had to know was enough about the country to know its politics and history. You had to know what they could give on and what they couldn't."

WHAT NEXT?

In 1960, Derwinski married Patricia Van Der Giesen, daughter of the then-mayor of South Holland. They had two children, both now grown.

The Derwinskis separated in 1983 and divorced in 1986. During the separation, Derwinski started dating Bonnie Hickey, a divorced, politically active Chicagoan from Bridgeport who had run unsuccessfully for the Metropolitan Sanitary District and Congress and headed other Republicans' campaigns. They married when Derwinski's divorce became final. They live in a condominium complex in Falls Church, Va., and for the last several years she has been the chief congressional liaison for the Immigration and Naturalization Service.

If Bush wins re-election, Derwinski says he'll ask to stay on in his present job. "It's a challenge," he says, "and I'm enjoying the challenge."

If Derwinski's long government career should come to an end for any reason, he doesn't plan to hang around Washington as so many retired public servants do.

"I've talked about this with Bonnie, and I think we'll go back to Chicago," he said. "We've always thought of ourselves as Chicagoans. Bonnie would like to work with companies in intergovernmental relations, but I'd like to share some of my experience and understanding with the next generation."

Added the compulsive, lifelong reader of history books, "I'd like to go into teaching."

VOTING RECORD

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. PEASE. Mr. Speaker, it has become my practice to insert periodically in the CONGRESSIONAL RECORD a list of key votes that I have cast in the U.S. House of Representatives.

The list is arranged in this manner: Each item begins with the rollcall vote number of the bill or resolution that the House was considering, followed by the bill number and a summary of the issue. This is followed by my own vote on the issue and the vote outcome.

This list of votes covers the period of January 28, 1992, through July 29, 1992.

KEY VOTES OF CONGRESSMAN DONALD J. PEASE

(4) H.R. 4095. Unemployment Benefits Extension. Authorizing $2.7 billion to extend unemployment benefits for an additional 13 weeks, permitting a total of 33 weeks in high-unemployment states and 26 weeks in the remaining states. Yes. Passed 404–8.

(17) H.R. 3490. Pay-per-Call Telephone Regulation. Ordering the Federal Communications Commission to issue regulations for the 900 pay-per-call telephone industry. Yes. Passed 381–31.

(34) H.R. 3844. Haitian Refugee Protection. Suspending temporarily actions to repatriate Haitians who were in the custody of U.S. officials before February 5, 1992; alloting 2,000 refuge admission slots to Haitians; requiring the president to report to Congress on the fate of repatriated Haitians; and other purposes. No. Passed 217–165.

(42) H. Con. Res. 287. FY 1993 Budget Resolution. Adopting "Plan B" to set spending levels for FY 1993, which would become effective if legislation to change the 1990 budget agreement and permit cuts in defense funds to be used to finance domestic spending increases fails; Plan B would double the president's defense cuts and use the savings for domestic programs and to reduce the budget deficit. Yes. Passed 224–191.

(43) H.R. 2212. Conditional MFN for China in 1992. Overriding the president's veto of the bill prohibiting the president from granting most-favored-nation (MFN) status to China for the year beginning July 3, 1992, unless he reports that China has made significant advances in the prevention of various human rights abuses, discouraging weapons proliferation, and remedying unfair trade practices. Yes. Passed 357–61.

(45) H. Res. 396. Disclosure of House Bank Abuses. Approving the disclosure of names of any members or former members who wrote a check that exceeded his/her balance at the House Bank and the number of such checks written from July 1, 1998, to October 3, 1991. Yes. Passed 426–0.

(54) H.R. 4210. 1992 Tax Bill. Creating a 20% tax credit against Social Security taxes for middle income families, to be replaced in 1994 with a permanent $300/child tax credit; instituting a new 36% top tax rate and a 10% surtax on millionaires; providing a graduated capital gains tax cut; restoring tax-deductible IRAs for all taxpayers; allowing penalty-free IRA withdrawals in certain circumstances. Yes. Passed 211–189.

(55) H.R. 4210. 1992 Tax Bill. Overriding the president's veto of H.R. 4210. Yes. Failed 211–215.

(66) H.R. 3732. Eliminate Budget Walls. Modifying the 1990 Budget Enforcement Act to allow the shifting of funds between defense, international and domestic appropriations. Yes. Failed 187–238.

(79) S. 3. Campaign Finance Reform. Limiting congressional campaign spending through incentives for candidates who agree to voluntary spending limits; cutting the amount candidates can accept from PACs and restricting "soft money" activities. Yes. Passed 259–165.

(84) H. Res. 423. Administrative Operation of the House. Abolishing the House Postmaster; creating an inspector general to oversee periodic audits of the House; transferring administrative and financial functions to a newly created director of non-legislative and financial services; eliminating certain "perks" in the House. Yes. Passed 269–81.

(87) H.R. 2967. Older Americans Act. Reauthorizing the programs under the Older Americans Act through FY 1995, revising the Social Security Earnings Test to double the amount a person between 65 and 69 can earn without having their Social Security benefits reduced. No. Passed 340–68.

(90) H.R. 4364. FY 1993–95 NASA Reauthorization. Amendment eliminating $2.3 billion designated for the Space Station Freedom. Yes. Failed 159–254.

(95) H.R. 3090. Family Planning Reauthorization. Reauthorizing Title X of the Public Health Service Act through FY 1997; also overturning the administration's "gag rule," thereby permitting abortion counseling upon request at federally funded family planning centers. Yes. Passed 268–150.

(107) H. Con. Res. 287. FY 1993 Budget Resolution. Instructing the House conferees to agree to Senate provisions concerning a joint resolution proposing to amend the Constitution to require a balanced federal budget. No. Passed 322–66.

(125) H.R. 5132. FY 1992 Disaster Relief Supplemental Appropriations. Providing $494,650,000 for disaster assistance and loans in response to the Los Angeles riots and flood damage resulting from the Chicago tunnel collapse. Yes. Passed 244–162.

(131) H. Con. Res. 320. Congressional Recognition of the 27th Constitutional Amendment. Recognizing the 27th Amendment, which states that a congressional pay raise shall not take effect until an intervening election has occurred. Yes. Passed 414–3.

(137) H.R. 4990. FY 1992 Rescissions. Rescinding $8.16 billion in previously approved FY 1992 budget authority, including $7.2 billion in defense, $761 million in domestic programs and $164 million in foreign aid; rescissions include funding cuts for the B–2 bomber, the Strategic Defense Initiative and the Seawolf nuclear submarine schedule. Yes. Passed 404–11.

(139) H. Con. Res. 287. FY 1993 Budget Resolution. Approving $1.516 trillion in budget authority for FY 1993, with a deficit of $327 billion. Yes. Passed 209-207.

(144) H.R. 776. National Energy Policy. Establishing policy to increase domestic energy production and conservation; overhaul the federal law concerning electric utilities; encourage the use of alternative motor fuels; provide tax incentives for renewable energy; and other purposes. Yes. Passed 381-37.

(147) H.R. 2507. National Institutes of Health Reauthorization. Reauthorizing NIH programs through FY 1996, and lifting the ban on fetal tissue transplant research utilizing fetal tissue resulting from an abortion. Yes. Passed 260-148.

(157) H.R. 5006. FY 1993 Defense Authorization. Amendment reducing by 40 percent the number of U.S. military stationed overseas by the end of FY 1995. Yes. Passed 225-177.

(160) H.R. 5006. FY 1993 Defense Authorization. Amendment authorizing an increase from $400 million to $650 million for programs designed to cut the nuclear weapons arsenal of the former Soviet Union. Yes. Passed 356-54.

(162) H.R. 5006. FY 1993 Defense Authorization. Amendment calling for further reductions in the nuclear weapons arsenals of the U.S. and other countries, including the former Soviet republics; calling for faster reductions under the Strategic Arms Reduction Treaty (START); and calling for an end of plutonium and highly enriched uranium production by 1995. Yes. Passed 278-135.

(164) H.R. 5006. FY 1993 Defense Authorization. Amendment instituting a one-year moratorium on the testing of nuclear weapons unless the president certifies that any of the former Soviet republics have tested nuclear weapons during that time. Yes. Passed 237-167.

(168) H.R. 5006. FY 1993 Defense Authorization. Amendment to cut funding for the Strategic Defense Initiative (SDI) by $2 billion, to repeal the Missile Defense Act of 1991, and to eliminate the Strategic Defense Initiative Organization. Yes. Failed 117-248.

(170) H.R. 5006. FY 1993 Defense Authorization. Amendment to prohibit any future production of new B-2 aircraft beyond the 15 already in development. Yes. Failed 162-212.

(172) H.R. 5006. FY 1993 Defense Authorization. Authorizing $270 billion for defense programs in FY 1993. No. Passed 198-168.

(187) H.J. Res. 290. Balanced-Budget Constitutional Amendment. Proposing a constitutional amendment to prohibit deficit spending unless a three-fifths majority in both the House and the Senate agree on a specific deficit amount or unless there is a declaration of war or military emergency enacted into law; requires the president to submit a balanced budget each fiscal year and requires a three-fifths majority of both chambers to increase the public debt. No. Failed 280-153 (two-thirds majority needed for passage).

(194) S. 250. National "Motor Voter" Registration. Requiring states to provide access to voter registration when applying for public certificates, such as a driver's or marriage license. Yes. Passed 268-153.

(201) H.R. 5373. FY 1993 Energy and Water Appropriations. Amendment rescinding $450 million previously allocated to fund the superconducting super collider. Yes. Passed 232-181.

(222) H.R. 2507. National Institutes of Health (NIH) Reauthorization. Overriding the president's veto of the bill reauthorizing funding for NIH programs through FY 1996 and lifting the ban on fetal tissue transplant research using tissue obtained from abortions. Yes. Failed 271-156 (two-thirds majority required for passage).

(236) H.J. Res. 517. Railroad Labor Dispute. Instituting a cooling-off period to ease the negotiation of unresolved labor disputes between particular railroads and striking employees and outlining an arbitration procedure which must be followed if no initial agreement is reached. Yes. Passed 248-140.

(242) H.R. 5429. Independent Social Security Administration. Establishing the Social Security Administration as an independent agency. Yes. Passed 350-8.

(267) H.R. 5260. Extended Unemployment Benefits. Providing 20 or 26 weeks of extended unemployment assistance to workers who exhaust their standard UI benefits between July 4, 1992, and March 6, 1993, unless the national unemployment rate falls below 7 percent, and enacting permanent changes to the extended benefits program to trigger emergency benefits automatically in future periods of high unemployment. Yes. Passed 396-23.

(268) H.R. 11. Urban Aid and Tax Bill. Providing tax incentives for the establishment for 50 enterprise zones in disadvantaged urban and rural areas and providing $2.5 billion over five years for job training and various community development programs in them; extending certain expiring tax provisions; repealing the tax on luxury items (yachts, furs, etc.); and raising the revenue to finance all provisions of the bill. Yes. Passed 356-55.

(272) H.R. 5100. Trade Bill. Amendment instructing the U.S. trade representative to enforce a limit on imported Japanese automobiles and to enforce a Japanese commitment to increase the use of U.S. made parts in American-manufactured Japanese cars. Yes. Passed 260-166.

(273) H.R. 5100. Trade Bill. Reauthorizing for five years the Super 301 program that requires the identification of countries imposing trade barriers to U.S. goods, negotiation to eliminate the barriers, and possible retaliation if negotiations fail; requiring the USTR to negotiate voluntary auto import limits with Japan; modernizing the Customs Service; strengthening U.S. anti-dumping and countervailing duties laws; and other purposes. Yes. Passed 280-145.

(274) S. 1150. Higher Education Act Reauthorization. Reauthorizing through FY1997 the Higher Education Act of 1965, extending eligibility for Guaranteed Student Loans to all students regardless of income and eligibility for Parent Loans to Undergraduate Students (PLUS) to all parents with no adverse credit histories; removing family home and farm equity from eligibility determination formulas for federal assistance; and increasing Pell Grant levels to $3,700. Yes. Passed 419-7.

(285) H.J. Res. 502. Disapproval of MFN for China in 1992. Disapproving the president's decision to extend most-favored-nation trade status to China in 1992. No. Passed 258-135.

(286) H.R. 5318. Conditional MFN for China in 1993. Prohibiting the president from granting most-favored status to China unless he reports that China has released and accounted for all prisoners from the Tiananmen Square demonstrations in 1989 and has made significant advances in resolving concerns over weapons procurement, human rights and trade violations. Yes. Passed 339-62.

(313) H.R. 4850. Cable Television Regulation. Instructing the Federal Communications Commission (FCC) to set a nationwide rate for basic cable service and regulate rates for other programming under certain circumstances in order to lower cable service rates for consumers and improve customer service. Yes. Passed 340-73.

(334) H.R. 5679. FY 1993 VA, HUD, and Independent Agencies Appropriations. Amendment cutting $1.2 billion for the Space Station, and dedicating the remaining $525 million to cover costs of closing down the program. Yes. Failed 181-237.

FREEZE DRIED BLOOD: A MODERN MILITARY MIRACLE

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. MOORHEAD. Mr. Speaker, I would like to share with you an excellent article on the Navy's Freeze-Dried Blood and related programs that appeared in the August 24, 1992, issue of the Navy Times.

As many of our colleagues are aware, there is a continual shortage of whole blood throughout the Nation. At times the shortfall is critical, especially in high density, metropolitan areas and in areas hit by natural disaster. The biggest problem is in the area of storage, transportation, and delivery of fresh red blood cells. Whole blood can only be kept at room temperature for approximately 30 minutes, therefore, it must be refrigerated until minutes before use. This has made delivery to the accident victim in remote areas or on the battlefield extremely problematic. The traditional solution has been to control hemorrhaging and then evacuate the patient as quickly as possible to a field hospital or other facility equipped for blood storage and transfusion. In most incidences, a saline solution is used to replace lost blood volume until evacuation is possible. But this does not replace the vital oxygen-carrying lost red blood cells that can mean the difference between life and death.

Refrigerated red blood cells last only 35–40 days. Frozen red cells have a longer shelf life, but require extensive postthaw washing with bulky equipment and sterile fluids to remove the toxic preservatives that are used in the freezing process. Frozen blood also requires special freezers and constant supply of electricity.

While the civilian blood centers have set out on their own research and development programs, the Navy has taken the Government lead in helping to solve the long-term blood storage problem. Working closely with their civilian counterparts, the Navy now has several promising blood programs—addressing different blood-related problems—on the horizon.

Perhaps the most promising is the breakthrough in Freeze-Dried Red Blood Cells processing. Cryopharm Corp. of Pasadena, CA, has developed a revolutionary approach to freeze-dry red blood cells as a cost effective and safe way of delivering red blood cells to the accident victim or combat casualty. The company began its research program in 1987 and has made significant advances including the first clinical tests on human volunteers. Cryopharm completed its 1992 initial clinical studies and the results were very encouraging. As the article below points out, the Navy is

also pleased with the progress the research has made and is looking forward to utilizing this innovative solution to combat casualty care in the future.

Mr. Speaker, I hope our colleagues find this article as informative as I have.

[From the Navy Times, Aug. 24, 1992]

FREEZE-DRIED BLOOD: NAVY'S RESEARCH JUST MAY SAVE YOUR LIFE

(By Patrick Pexton)

WASHINGTON.—War is a bloody affair.

Combatants die as often from loss of blood as from the torn flesh left by shrapnel and bullets. And despite medevac helicopters, the percentage of deaths among seriously wounded soldiers has barely improved since World War II.

It was then that British doctors first learned casualties recovered faster when given blood transfusions. And what doctors have been searching for ever since has been a way to replace lost blood and fluids in the critical first hour after initial injury. It's during those 60 minutes when so many serious wounds turn deadly.

Such a breakthrough is now only a few years away.

Within as little as five years, wounded sailors and Marines may owe their lives to a new kind of first-aid—one that uses freeze-dried and artificial blood to replenish the loss of life-giving fluids.

With these blood products, in some cases injected into wounded right on the battlefield, a sailor or Marine may have a better than 90 percent chance of surviving a serious wound.

Navy researchers are largely responsible for these products, which will allow technicians to take blood substitutes closer to the front lines of battle. But the Navy has had help from the Army, from taxpayers and even from a pair of unlikely characters: fish and coffee.

JUST ADD WATER

The new blood products grew out of the Navy's 20 years of research and success with frozen blood, which is now deployed at sites throughout the globe, waiting to be thawed for wartime.

But despite years of Navy improvements to frozen blood—extending its shelf life, using less toxic preservatives—it remains bulky and requires electricity to be kept cold right up to its use in the body. As a result, its use is limited on the battlefield.

That left doctors thinking about freeze-dried blood—just like freeze-dried instant coffee. If blood could be freeze dried, they thought, it would be lightweight, small in volume, and could be kept at room temperature. Blood could be carried to the wounded, rather than the wounded taken to the blood. And freeze-dried blood, in even the rarest blood types, could be taken almost anywhere: aboard ships, submarines, space stations, civilian ambulances or even in an individual Marine's backpack.

Now Navy and private researchers have done it. They've transformed fresh, whole, human blood into a dry reddish powder, much like ground cinnamon. Just add sterile water and it saves lives.

But the road to freeze-dried blood has not been easy.

Just as freeze-dried coffee doesn't taste the same as fresh brewed, freeze-dried blood undergoes changes. Microscopic red blood cells are far more delicate than Colombian caffeine molecules and half of the blood cells can be destroyed outright in the freeze-drying process. Those that are left carry oxygen only half as efficiently.

So far, researchers have reached the point where reconstituted freeze-dried red blood cells have 80 percent of the effectiveness of the originals. But that's not quite good enough, and the rehydrated cells also are not lasting the normal 120-day life cycle of a red blood cell.

Two Navy contractors are trying to overcome the freeze-drying hurdles. Life Cell Corp., of The Woodlands, Texas, is working with $579,000 of Navy money and some U.S. Army money. Cryopharm, of Pasadena, Calif., is using $1.35 million awarded in 1990 for three years of research from the U.S. Naval Medical Research and Development Command.

How the two companies are doing their research are trade secrets. But in general, Cryopharm is looking at different kinds of non-toxic chemicals that will preserve the cells during the freezing and drying process, as well as improvements to the cooling and evaporation process itself. LifeCell is looking at freezing the blood faster and in tiny microdroplets, which would better safeguard the red blood cells.

Even more tantalizing, the companies are studying how to inactivate blood viruses, such as AIDS and hepatitis, through freeze drying.

WHY FEEEZE DRY BLOOD?

The need for freeze-dried blood arises from how the body reacts to trauma and the limitations of wartime medical care.

The loss of bodily fluids from wounds can kill within 60 minutes. Fluid loss drops blood pressure, which leads to shock, and that, coupled with the loss of red blood cells, robs the body's ability to carry oxygen to vital organs, such as the brain and heart.

Because of the vital role that blood and fluids play in trauma care, the traditional approach to combat medicine has been to stop bleeding, get intravenous sterile fluids into the victim, and transport the patient to a place for blood transfusions and surgery. That's why medevac helicopters and MASH units were used in Korea and Vietnam, and why civilian hospitals have helicopters, paramedics and shock-trauma centers today.

The system works better in the civilian world, where hospitals are close by and accidents infrequent. In battle, casualties all tend to come flooding in at once and the hospitals can be far from the fighting.

The challenge for combat medicine then has always been first to buy time for the wounded, stabilizing the patient long enough to get to the next level of care.

A second and more modern challenge, however, is to provide enough blood in the first seven to 10 days of a war, which, given today's technology, is when most of the blood will be spilled.

"The challenge is to have a safe blood supply, [that is] free of disease, readily deployable, [has a] long storage life and is light in weight," said Capt. Edward. T. Flynn Jr., commanding officer of the Naval Medical Research and Development Command, which oversees blood research.

But meeting that goal is formidable. Fresh whole human blood spoils 30 minutes after being taken out of a refrigerator, and even under cooling lasts only 35 to 40 days. A corpsman, or a battalion aid station, cannot transport huge refrigerators, nor can they carry every blood type to match every downed Marine.

That's where the idea of freeze-dried blood came in. If blood could be freeze dried just like instant coffee, Navy doctors reasoned, its volume and weight could be greatly reduced and a corpsman could do battlefield transfusions just by adding sterile water.

FROZEN BLOOD

But nearly all of this frontier research in freeze-dried blood would never have happened without the Navy's pioneering work in frozen blood.

Before blood can be freeze dried, it first must be frozen without destroying the red blood cells, which carry oxygen, and the platelets, tiny cells that help blood clot.

If the freezing process is not done correctly, ice crystals form, rupturing the microscopic red blood cell walls, much as a water balloon would be damaged when the water within turned to ice.

But Dr. C. Robert Valeri and others at the Naval Blood Research Laboratory at the Boston University School of Medicine have mastered the freezing process for blood and the 20-year-old process is well-established and reliable.

First, the saline liquid inside the blood's red cells is removed, to protect the cells from crystallizing—and breaking down—during freezing and thawing. Next, the saline is replaced with glycerol, a preservative similar to antifreeze.

But the glycerol, which is toxic, has to be removed before the thawed red cells can be put back into a body.

The Navy is so adept at freezing blood that its shelf life is now up to 20 years—blood from the Vietnam era is still viable when thawed today. Led by the Navy, the Defense Department is now prepositioning 225,000 units of frozen blood around the world. The freezing is done at four Navy hospitals—Bethesda, Portsmouth, Great Lakes and San Diego.

Frozen blood banks—essentially big and very cold deep freezes at −90 degrees Celsius—are now aboard the Navy's two hospital ships, Mercy and Comfort, as well as many amphibious assault ships. Frozen blood was actually thawed, although never used, for Operation Desert Storm.

But frozen blood has some disadvantages.

Thawed blood has a short shelf life. The federal Food and Drug Administration has approved its use only up to 24 hours after thawing. That virtually requires that it be used near a hospital or ship freezer.

So Valeri and his researchers are now learning how to extend the shelf life of thawed blood up to 14 days, which would greatly add to its flexibility. That way, ships leaving the United States in an emergency could begin thawing blood during the cruise to a combat zone.

But there's another problem with frozen blood. Bulky and expensive freezers capable of the −80C temperatures are required to keep it all frozen. And it takes time, and two liters of sterile fluids, to thaw and cleanse each unit of frozen blood of the glycerol. To "de-glycerol" and thaw one unit of blood takes about an hour on an expensive machine, not nearly fast enough, or cheap enough, if the battle is raging.

A FISHY SOLUTION

So scientists are turning to cold fish in their search for a solution.

The winter flounder swims in northern oceans, where only submarines and ice breakers dare sail, in waters a micron above freezing. Yet the fish doesn't turn into an ice cube because of a protein it manufactures. It's a natural anti-freeze.

That protein, called hydroxyethyl starch, is being imitated and manufactured—genetically engineered—by Cryolife Inc., of Marietta, Ga. under one of several Navy research and development grants. Cryolife's goal is to use that non-toxic fish starch instead of the toxic glycerol. Frozen blood then no longer

not need to be "washed" before use, providing for the first time an almost instant thaw-and-use blood product.

STERILE SWAMP WATER AND ARTIFICIAL BLOOD

WASHINGTON.—Freeze-dried blood is not the only path Navy blood researchers are pursuing.

Several other research programs promise improvements for battlefield medicine, including changing blood types, manufacturing artificial blood, freeze drying blood platelets, and making machines that can turn swamp water into sterile intravenous fluids.

If all of the programs prove successful, and economical, they will help transform the way sailors and Marines are treated.

BLOOD TYPING

Blood types are one more barrier to getting quantities of blood to the battlefield quickly because blood banks have to keep on hand A, B, O and the various positive and negative combinations of each blood groups.

Although Group O is the universally compatible blood, in a war situation it can be exhausted quickly. So Navy researchers are studying how to convert groups A and B into the universal O. Overall blood supply would effectively be doubled and physicians and corpsmen could simply reach for the blood bag without checking for compatability.

In fact, Navy researchers have already succeeded with Group B, using an enzyme found only in raw green coffee beans to split the B antigen, or marker, right off the red blood cell. Type B is transformed into type O.

ARTIFICIAL BLOOD

Another way to get blood to the battlefield, or to buy time for the wounded who cannot get a transfusion, is through artificial blood.

Navy researchers are working with two biotechnology firms to manufacture something called liposome-encapsulated hemoglobin. In layman terms, the researchers are making genetically engineered hemoglobin, the substance with red blood cells that carries oxygen, and encasing it in spheres of an artificial membrane to ease its passage through the bloodstream.

The advantage of LEH, as they are called, is that they potentially could do the oxygen-carrying work of blood, without the cumbersome and time-consuming process of collecting, freezing, freeze-drying or processing human blood.

Drs. Frances S. Ligler and Alan S. Rudolph at the Naval Research Laboratory's Center for Bio/Molecular Science and Engineering, are working with two biotechnology companies on this project.

The obstacles to full-scale production are making the liposomes sterile—they cannot be heat sterilized because high temperatures destroy them—and meeting FDA approval.

PLATELETS

Not only do wounded sailors and Marines need red blood cells to carry oxygen to vital organs, they need blood platelets to keep the blood clotting.

Platelets are even more unstable than red blood cells and cannot be stored for as long, fresh or frozen. But frozen platelets are already a fact, frozen as blood is with preservatives for up to two years, and possibly longer. Dr. C. Robert Valeri and his team at the Naval Blood Research Laboratory at the Boston University School of Medicine are working on extending the life of frozen platelets.

REFLUPS

The final chain in keeping combat casualties alive, apart from blood, is to get sterile intravenous fluids out to the battlefield, or as close to it as possible.

The Navy, working with the Army, is preparing a machine prototype which should be running by the end of this year. Called the REFLUPS machine, for resuscitative fluids production system, the device can take the dirtiest, scummiest water, anything from brackish oasis water to ship sludge, and purify it into sterile resuscitative fluids for battlefield or civilian disaster casualties. REFLUPS machines, ranging in price from $50,000 to $90,000 each, use highly effective reverse-osmosis filters to clean 80 to 100 liters of fluid per hour. The Navy should be getting 20 or 30 of the devices in the next few years.

REFLUPS will reduce the need for a long logistical line, stockpiles of sterile fluids and storage space on board ships.—Patrick Pexton.

WHY THE NAVY?

WASHINGTON.—It may seem odd that the Navy is the lead service on frozen and freeze-dried blood, rather than the Army, but Cmdr. Bruce Rutherford, head of the Navy's Blood Programs Office, says it is a natural fit.

The Navy and Marines, unlike other services, are constantly deployed and are often first on the scene in a war zone. They have to make do using what they brought with them, Rutherford explains.

The Navy blood research programs have cost about $5.5 million a year in recent years, and $3 million to $4 million a year going back several more. In the next three years, the Navy hopes to get an additional $7.5 million to bring all the programs to the production stage.

Most of the research programs are in the laboratory or animal research stage, but clinical trials on humans are in the offing—as long as the research and development money keeps flowing.

But compared to the cost of a single plane or helicopter, Navy researchers say the less than $100 million spent on blood research is a good investment, especially if it fulfills its promise of saving nine of 10 casualties.—Patrick Pexton.

HONORING REV. JULIUS SASPORTAS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. ENGEL. Mr. Speaker, it is a distinct honor today to recognize the retirement of Rev. Julius Sasportas, the founder and spiritual leader of the Co-op City Baptist Church, after 22 years of faithful service to the church and community.

On Sunday, November 20, 1971, Reverend Sasportas held the first worship service of the Co-op City Baptist Church in a meeting room in the Dreiser community center. Nine people joined the congregation that day. Since that time, the church has grown and prospered, largely to the efforts of Reverend Sasportas. He now leaves to his successors a church community that has become an integral part of life in Co-op City.

Having planted the gospel like a seed, Reverend Sasportas can take great satisfaction in having seen a beautiful tree grow in the midst of our community. On behalf of the people of Co-op City, I thank Reverend Sasportas for all his efforts and wish him health and happiness in his retirement.

TRIBUTE TO STEPHEN P. YOKICH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. BONIOR. Mr. Speaker, on the evening of September 23, Stephen P. Yokich will be honored by receiving the March of Dimes Alexander Macomb Citizen of the Year Award. This honor is bestowed upon individuals who are dedicated professionally and personally to improving our community. I am very pleased to pay tribute to a remarkable individual.

Mr. Stephen Yokich has been a dedicated fighter for union workers in Michigan and around the country for many years. Among some of his accomplishments for workers are improving health and safety conditions and developing employee assistance programs designed to help employees who have substance abuse or domestic and financial problems.

Assuming an active role in our community is a responsibility we all share, but few of us fulfill. Steve has unfailingly devoted himself to this task by being actively involved in many organizations such as the NAACP, the Coalition of Labor Union Women [CLUW] and the Michigan Cancer Foundation, to name a few.

Mr. Speaker, through his commitment and hard work Steve Yokich has touched countless lives. Knowing Steve as well as I do, I expect he will no doubt continue to do so.

On this special occasion, I ask that my colleagues join me in saluting the fine accomplishments of a friend and extend to him our best wishes.

A TRIBUTE TO PRISCILLA CELANO: SELFLESS COMMUNITY SERVANT

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to an outstanding leader in the New York community. On October 14, 1992, Priscilla Celano will be honored for her nearly 15 years of public service by the Yeshiva Munchas Yehuba. This occasion gives me the opportunity to express my deep appreciation for her committed service to Brooklyn's Community Board 12 and to the citizens of New York.

Priscilla Celano was appointed to the position of district manager for community board 12 in 1983, after having served as assistant to the district manager since 1978. On a daily basis, she is deeply involved in handling and resolving complaints and emergencies of every description. While her position is a difficult and demanding one, Mrs. Celano has found the time to initiate many projects that were beneficial to the community.

Mrs. Celano has reached out to many people, giving help and hope to all. She has proved herself to be dedicated, aware, and sensitive to the concerns of others.

In addition to the accolade she will soon receive from the Yeshiva, Priscilla Celano has been given special recognition for her dedication and commitment by other organizations in the community. She is the recipient of awards and commendations from Kensington Merchants Association, Emunah Women, National Barrier Foundation, Brooklyn Chinese American Association, St. Catharine of Alexandria Rosary-Alter Society, Purim Parade, fire department, Dora Vaccaro Humanitarian Award, department of sanitation, and was CONO's Woman of the Year.

Regardless of Mrs. Celano's busy schedule, she is always available to assist someone with a problem. Ready with a helping hand and a reassuring smile, the people who live and prosper within the community have found a true champion in Priscilla Celano. At the present time, community board 12 is considered one of the most visible boards in the city. As district manager, she is an inspired "idea" person, projecting and formulating ideas about community needs for consideration by the board. Mrs. Celano looks upon each project as a challenge and she meets each challenge with determination and boundless creative energy. Mrs. Celano always gives instinctively of her time and energy. The citizens who live in the fine and caring community represented by community board 12 do so in part thanks to the efforts of a fine and caring lady, Priscilla Celano.

It is only appropriate that this decent and selfless woman, and the good deeds she has bestowed on her community, be recognized. I proudly do so today on the floor of the House of Representatives.

THE NATIONAL CENTER FOR FAMILY LITERACY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. MAZZOLI. Mr. Speaker, it is with much pride that I share with our colleagues an article that appeared in Parade magazine on July 12, 1992. This article features the work of the National Center for Family Literacy and its founder and president, Ms. Sharon Darling.

Headquartered in my district in Louisville, KY, the National Center for Family Literacy is a 4-year-old private, nonprofit corporation which was founded on the premise that literacy skills can best be developed by involving families—both parents and children. The center's innovative programs allow adults the opportunity to cultivate employment and parenting skills, and also allow children to master preliteracy skills.

Ms. Darling's 25 years of experience in the field of adult literacy make her a national leader in the movement to address the tragedy of illiteracy. She is deeply committed to improving the lives of American families.

President Bush nominated Ms. Darling to serve as a member of the Board of the National Institute for Literacy, and she was confirmed by the U.S. Senate on September 17. As I stated in my letter of support for her nomination, she will make an enormous contribution to the Board's work of addressing the issue of illiteracy.

I am pleased that Ms. Darling and the National Center for Family Literacy have been the focus of nationwide attention. The text of the Parade magazine article follows:

[From the Parade Magazine, July 12, 1992]

WHERE PARENT AND CHILD LEARN TOGETHER

(By Michael Ryan)

"The Government estimates that about 83 million people in this country are illiterate," Sharon Darling told me one recent morning. "That does not mean just people who can't read at all. Most are people whose reading skills are not sufficient for them to do their jobs correctly."

When she gave me that startling statistic, Sharon Darling was preaching to the converted. That very morning, I had to help two adults read. A parking garage attendant was unable to figure out my claim check, and a rental car clerk misread the contract and gave me the wrong car. Both were grown people in their 20s who couldn't do their jobs correctly because they couldn't read well. * * *

Sharon Darling has made adult literacy her life's work and passion. As president of the National Center for Family Literacy, she is also making a change in the lives of people who thought they were condemned by lack of education to an unending cycle of poverty, dead-end jobs or welfare.

"A few years ago, I was the director of adult education in Kentucky," Darling explained as we drove toward the Wheatley Elementary School in a rundown section of Louisville, Ky. "We had one of the highest proportions of adults without a high school diploma in the country. Then we realized that, when the children of these people went into school, 70 percent of them never graduated from high school. That's where the idea came from."

The idea Darling and her colleagues came up with was Family Literacy—and I saw it in action as soon as I walked down a corridor at Wheatley. In one room, about a dozen women were busily at work. Several were writing in workbooks, practicing spelling or math. Others were reading the day's newspaper or consulting with a teacher. Two huge, dark-tinted picture windows allowed them to see into an adjoining room. There, another teacher was working with a very different group of students. They were learning the names of colors and figuring out how to put pegs into holes of corresponding shapes. The students in this class, Darling explained, were 3 or 4 years old, and they were the children of the women in the first room. The students in both rooms seemed to be enjoying what they were learning.

As Sharon Darling sees it, getting parents and children into school to learn together is a major breakthrough. "All of these parents dropped out of school for one reason or another," she said. "Many of them were afraid of school and afraid of teachers. That translated into one generation after another of parents not having confidence to go into schools and take part of their child's education."

Evelyn Brown helped teach me how the concept works. "I've been out of school for 25 years," she said. "I have two boys, 4 and 6 years old, and I knew that if they started bringing homework home, and I didn't know what to do to help them, I'd be in bad shape." As she talked, Brown looked up from a workbook in which she was practicing spelling. Like all the adults in the program, she works at her own pace, concentrating on areas in which she needs to improve. "This is the first program that has provided child care," she explained, "so that I'm able to come and learn."

Promptly at 11 a.m., we moved to the next room for the daily session of PACT—Parent And Child Together. Here, the teacher Charlotte Williams explained, parents participate every day in their child's education. Evelyn Brown and her younger son, Bryant, played a game which helped him identify colors. Then the women sat in a circle with their children and talked about each youngster's progress.

"Parenting is an important part of this program," Sharon Darling told me. "Many parents don't realize how important they are to their child's education. The child is watching and learning from the parent all the time." For Evelyn Brown, the idea that she can help her sons to learn is thrilling. "I feel better that they've looking up to me," she said.

"We teach more than just literacy," Darling explained. In fact, the program asks each adult participant to commit to a year of classes, which will culminate in taking the examinations required for a GED—a high school equivalency certificate. In addition, adults are given instruction on parenting skills, dealing with spousal abuse and finding jobs. For the first time, they begin to see that their lives are filled with possibilities.

"I dropped out of high school when I got married," Lorrie Jorgensin told me. Without her diploma, she seemed doomed to dead-end jobs. "I've done everything from washing dogs to waittressing," she said as her son, James, clung to her for assurance. "But now I've taken all five of my GED tests, and I got my diploma last year." Even Lorrie seemed amazed that she had come this far—and exhilarated by what might come next. "I love computers. I've worked on some really advanced ones here. I'm going to college and studying computing."

Does Family Literacy really work? The program, in one form or another, is now in place in 38 sites in Kentucky. A grant from the Kenan Charitable Trust has helped establish it in Louisville, as well as in cities in North Carolina. A new grant from Toyota has helped it expand to 10 other cities. And the Bureau of Indian Affairs is trying it out on reservations across the country. More than 15,000 adults have been though the program, most of them women. (Men are eligible but seem more reluctant to admit that they need educational help.) "We're finding that 80 percent of the adults who commit to the program finish it," Sharon Darling told me. "And their children are performing better in school."

The numbers are good, but I found the best proof of how well Family Literacy is doing in Benita Ennis, a 31-year-old mother of six. "I left school at 14," she told me. "It was the biggest mistake of my life." Three years ago, Ennis decided to make some changes in her life. "I decided it was time to get off welfare," she said. Her desire to finish school put a strain on her marriage, she said, because her husband was opposed to the idea, but she enrolled in the Family Literacy program with her youngest daughter and stuck with it. She kept up with her studies, getting her GED and her first job in 1989. Ultimately, her marriage ended in divorce.

"The first time that welfare check wasn't in the mailbox, the kids came to me," she

said. "They were worried. I told them there weren't going to be any more checks in the mailbox."

Ennis' daughter Patricia, who went through the program with her, is now entering second grade, and Ennis said that Family Literacy has been a powerful force in her daughter's life. "She's doing really well in school," Ennis noted. "The teachers say they can see the difference between her and the other kids." Ennis' older children also are staying in school—and talking about college. They now have a resource they never had before: a mother who can help inspire them with her own achievements and help them with their homework. And Benita Ennis is even planning on going to college herself. "If you knew me three years ago, you wouldn't recognize me today." She said. "I've changed that much."

The self-confidence—as well as the reading and math skills Ennis learned—have improved her prospects in life. She is laying the groundwork for her future by working 55 hours a week at two jobs. Part of the time, she is a teacher's aide in the Louisville schools, working in the Family Literacy program. Then she goes to her job as a cashier in a supermarket in an affluent section of Louisville.

"I'm friends with my customers," she said. "They talk to me. People ask if I get jealous or angry when, for instance, a woman tell some that she just took a trip to France. I don't. It just gives me something to work for. It reminds me that I have to work harder to reach my goals."

I wouldn't be surprised, someday in the not-too-distant future, to get a postcard from Benita Ennis. From Paris.

TRIBUTE TO UNITED CEREBRAL PALSY AND HABILITATION, INC.

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to an exceptional and caring organization that has been working for 40 years to better the lives of the developmentally disabled and other handicapped persons in Schuylkill, Carbon, and Northumberland Counties, PA. I am glad to tell my colleagues that United Cerebral Palsy of Schuylkill, Carbon, and Northumberland Counties [UCP] will celebrate its 40th anniversary of serving on September 26, 1992.

In 1952, Mrs. Mal Bartram and other parents in and around Pottsville, PA, were deeply concerned about the lack of services and opportunities for their handicapped and disabled children. They recognized a need to unite and bring their talents and resources together in order to help their disabled children live more productive and rewarding lives. Through dedication and perseverance, these concerned parents formed an organization that eventually grew into the United Cerebral Palsy of Schuylkill, Carbon, and Northumberland Counties. In October 1953 UCP held its first diagnostic clinic, and 1 year later the first class for handicapped children in the Pottsville School District met at Mount Hope School.

Mr. Speaker, in 1962 Habilitation, Inc., was founded to serve as the vocational rehabilitation program of UCP. Habilitation's first focus was on arts and crafts, but within 10 years participants in Habilitation's programs were serving as a key supplier for many businesses in the community and across the country.

UCP and Habilitation are committed to promoting the general welfare of the developmentally disabled and other handicapped individuals in Schuylkill, Carbon, and Northumberland Counties. UCP and Habilitation operate training centers, sponsor and promote research, and mount an educational campaign to keep all citizens aware of the needs of the disabled and handicapped in their communities.

Mr. Speaker, it is an honor for me to come before the House of Representatives and congratulate UCP and Habilitation on its 40 years of proud, effective, and compassionate service. I also know that my colleagues join me in saying thank you to the many remarkable people who have made UCP and Habilitation into the outstanding organization it is today.

THE FAMILY INVESTMENT ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mrs. SCHROEDER. Mr. Speaker, last week I joined with several of my colleagues to introduce the Family Investment Act of 1992 (H.R. 5973), a five-point legislative program that is absolutely essential to keep American families intact, stable, and self-sufficient. Together, these programs represent a core of a national policy that respects America's families, and provides real, much-needed help to families. I applaud Representatives BARBARA-ROSE COLLINS, DOWNEY, EVANS, GILMAN, GREEN, WILLIAM LEHMAN, MARTINEZ, and WHEAT, for cosponsoring this essential legislation. Senator ROCKEFELLER introduced similar legislation (S. 3243) in the Senate.

With the end of the legislative session quickly approaching, this package provides us with an opportunity to move ahead expeditiously on legislation that is already in the pipeline.

Four of the five components of the Family Investment Act have already passed one or both Houses of Congress with bipartisan support: The Family and Medical Leave Act, KIDSNET, parents and teachers, and family preservation.

The fifth component—safe children and communities—while new, addresses the not-so-new concern of the escalating violence in many of our communities.

Together, these five programs represent a bare bones, yet cost-effective strategy that will aid families, our economy, and most importantly, our children. Moreover, these programs are proactive, rather than reactive. They provide help to families before crises erupt, not after, when more money and more services are required to put families back together.

Commissions chaired by former Presidents, business leaders, and Members of Congress all agree that action on these fronts is long overdue and is urgently needed to ensure the survival of our next generation.

The Family and Medical Leave Act, which has now passed both Houses of Congress overwhelmingly twice, represents a reasonable balance of the needs of employers and employees. It would allow up to 12 weeks of unpaid leave following the birth or adoption of a child, or to care for a seriously ill parent, spouse, or child, or the employee's own medical treatment.

In these recessionary times, when parents are doing everything possible to hang onto their jobs, if they are forced to choose between their families and their jobs, families will lose. If we believe what we have been saying over these last few months, it's time to stand up and let families know that they don't have to neglect their families in times of crisis or childbirth. The Family and Medical Leave Act makes that choice unnecessary by providing parents with unpaid leave, allowing them to return to their jobs after the crisis has passed.

In order to become future productive workers and contributing members of our society, our children must grow up healthy, well-nourished, and well-educated. Title II of this bill, KIDSNET ensures that all of our Nation's children will get off to a good start in life by providing the most vulnerable among us with access to Head Start, WIC, and immunizations. KIDSNET declares these programs to be national emergencies in order to fund them under the balanced budget amendment, with the goal of full funding by 1996.

Many of you here today know that I have been pressing for KIDSNET for some time. Congress approved it once before as an amendment to the dire emergency aid bill last year, but it was dropped from the conference report because of a threatened veto by the President. Head Start, WIC, and Childhood Immunization are three of the most cost-effective programs that the Federal Government sponsors. It's high time that all of our vulnerable children had access to them.

Right now that isn't the case. Two-thirds of the low-income children eligible to participate in Head Start are excluded because of a lack of funding. At least 25 percent of children under the age of 4 have not been immunized against common preventable childhood diseases and nearly one-half of all low-income, nutritionally at-risk women, infants, and children do not participate in the WIC Program because of funding shortfalls.

The best business investments return $3–$4 per $1 invested. These three programs—WIC, Head Start, and Childhood Immunization—save up to $14 for every $1 invested. Not only do these programs save money, they represent an investment in our country's future.

The Parents as Teachers Program invests in strategies that support parents as their children's first teachers. The documented success of this program, which has been implemented statewide in Missouri and in other States, shows that it helps children prepare for school, leads to early identification and treatment of potentially disabling conditions, and involves parents in their children's education from an early age. Both parents and children reap the rewards with documented payoffs in enhanced intellectual and social development for the children, and more knowledge and understanding of parenting skills and the educational process for parents.

Title IV of the Family Investment Act—Family Preservation—provides increased support

to assist struggling families to avert and deal effectively with crises and remain intact. It provides intensive services to parents at risk of abusing and/or neglecting their children to avoid the even more costly and destructive cycle of removing children from their families as the first and often the only response to dysfunctional families.

The cost of family preservation services ranges from $2,500 to $5,000 per family, and is even less per child, while the estimated annual cost of care in an institutional setting ranges from $10,000 to $50,000 per child.

By creating programs to help keep families together, we can preserve the economic, moral, and psychological benefits of stable and intact families. That is what real family values are all about.

Title V—the Safe Families and Communities Act—provides support for existing and new collaborative community-based efforts to improve the safety of children and their families. Too many of our Nation's children live in war zones—communities under seige by violence and drug abuse. These children have learned to duck for cover when playing outside and sometimes even within the confines of their own homes. They have to take precautions with what they wear for fear of having their clothing stolen or being misidentified as part of a gang.

This act will provide funding for efforts to prevent drug abuse, gang prevention, youth training, child care for school-age children, or other programs that members of the community decide will improve their safety.

For too long we have abandoned our families and stolen from our children. We have taken food from their mouths and replaced it with a fictional space defense system. We have traded in teachers' salaries for a stealth bomber for an obsolete war. Over the last decade we have incurred a national debt that will take our children their entire lives to pay off.

The Family Investment Act provides us with an opportunity to restore the covenant between us and our children and their families. It is our chance to put funds where they will improve the lives of our children and our families. By investing in our families, we ensure less Government interference, not more. We produce stability, not fracture. By investing in education and health, we create hope and ability where there otherwise would be deterioration and despair.

There is no time to waste. By supporting the Family Investment Act, we will be able to say to our children, "We have invested in you and in the future of our country."

PROSPECTS FOR PEACE BETWEEN ISRAEL AND ARAB NEIGHBORS ARE BRIGHT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. OWENS of Utah. Mr. Speaker, the prospects for peace between Israel and her Arab neighbors have never been brighter. It wasn't too long ago when the thought of direct negotiations between Israelis and Arabs was not just improbable but impossible.

While there is still a long way to go, there is every reason to be optimistic. And the talks are not just in the bilateral sessions but in the multilateral sessions, where, despite a few bumps in the road, great promise lay ahead.

Economic, scientific, and environmental cooperation between Arabs and Israel portends a great future for the Middle East. Through cooperation, Middle Eastern countries stand the best chance of raising their standards of living, as well as breaking down the many barriers that have divided the region for decades.

Over 2 years ago, I introduced legislation to create a Middle East Development Bank to foster peace and cooperation by providing necessary capital for cooperative projects. As the following article in the Wall Street Journal notes, Israeli Foreign Minister Shimon Peres has also suggested the creation of a development bank to help form an economic foundation for development, growth, and cooperation.

The Middle East has seen more violence than any other region of the world. Today, with modern transportation shrinking the world dramatically, the entire world has an interest and a stake in a peaceful and economically vibrant Middle East.

ISRAEL'S PERES SEES KEY TO PEACE IN COOPERATIVE EFFORTS WITH ARABS

(By Amy Deckser Marcus)

JERUSALEM.—For Israeli Prime Minister Yitzhak Rabin, the various committees set up under the Madrid peace conference to address Middle Eastern water sharing, economic cooperation and arms control have been a sideshow to the peace talks under way in Washington. For Israeli Foreign Minister Shimon Peres, however, they are the main event.

Mr. Peres is Israel's leading proponent of the idea that developing joint Israeli-Arab projects under the auspices of the committees, particularly in the arena of economic cooperation, remains the key to breaking the current impasse in the peace talks over the territorial conflict. During recent visits to Russia, France and England, he tried to drum up support for proposals ranging from a Middle Eastern development bank to a water desalination plant in the Gaza Strip that would be powered by a nuclear reactor.

"The Middle Eastern countries can no longer afford to be economically isolated from each other," said Mr. Peres in an interview. "If we can create an economic dynamism that constantly improves the standard of living in the region, it will give impetus to the political process as well."

When U.S. Secretary of State James Baker established the Madrid peace conference, he set up committees that would meet at the same time that direct face-to-face negotiations between Israel and its Arab neighbors were taking place. The committees also include parties outside the immediate conflict such as Japan, the European Community and Saudi Arabia. At the time, there was a belief that broader regional issues might be relatively easier to solve and that any progress would enable headway to be made in the territorial dispute.

BOYCOTTED SESSIONS

So far, Syria and Lebanon have boycotted all of the sessions and Israel refused to attend the first round of talks on refugee and economic issues because of opposition over Palestinian representation. But Mr. Peres remains convinced that these discussions are the best forum for overcoming decades of mutual suspicion. He has even begun lobbying to raise the level of representation of the participants to foreign ministers and sent a message via the French government making that suggestion to Syria's President Hafez Assad.

"In the bilateral talks in Washington, we are trying to resolve the conflicts of the past," says Mr. Peres. "But it's in the multilateral negotiations where the future of the Middle East is being created."

In the interview, Mr. Peres proposed forming a Middle East free-trade zone between Israel and the Arab countries operating along the lines of the European common market. He also suggested founding a bank for Middle Eastern development based on the model of the European development bank, which was established more than a year ago in order to aid in the economic recovery of Eastern European countries. But he said his plan won't work unless the Arab countries agree to drop their economic boycott of Israel, which has become a symbol of Israeli economic isolation and has cost the economy an estimated $20 billion in lost exports and $16 billion in lost foreign investment, according to the Federation of Israeli Chambers of Commerce. "It is unfair that Israel has made confidence-building gestures without real reciprocity," said Mr. Peres.

Mr. Peres's vision of economic cooperation is the result of his belief that "what's driving the Syrians to try to make peace with Israel is their poor economy," says Akiva Eldar, diplomatic correspondent for Ha'aretz, an Israeli daily. "He believes that territorial compromise will be easier to reach if Israel also helps better the welfare of the Arab countries."

POWER STRUGGLE

Israeli political analysts say that Mr. Peres's actions must also be viewed against the background of the long and bitter power struggle between him and Mr. Rabin. Mr. Rabin awarded his longtime political rival the post of foreign minister on condition that the direct negotiations between Israel and the Arabs remain under the control of the prime minister's office. But Mr. Rabin agreed that the committees, with the exception of arms control, would be overseen by Mr. Peres's ministry. "Peres truly believes in economic cooperation but he also realizes that by upgrading the importance of the multilateral power," says Gerald Steinberg, a political scientist at Bar-Ilan University in Ramat Gan.

Despite the enthusiastic reception Mr. Peres and his ideas received in European capitals, Aharon Klieman, an Israeli foreign policy expert in Tel Aviv University, says it won't be easy coming up with the financing for the projects. "Europe and Japan just can't afford to put the Middle East over their own domestic and regional economic needs." said Mr. Klieman.

Nonetheless, Mr. Peres said that Israel must pursue economic cooperation with its neighbors as vigorously as a resolution to the territorial dispute. He said in a speech on Friday, "We understand very well that to be an island of prosperity in an ocean of poverty will be a mistake."

NAS MIRAMAR: AN ENVIRONMENTAL TRIBUTE

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. CUNNINGHAM. Mr. Speaker, the U.S. military has long been known more for environmental abuse than ecological concern.

Those days are over. Conservation is the future.

And leading the way is San Diego County's own Miramar Naval Air Station, whose Natural Resources Program has taken the top prize in the U.S. Navy's 1992 Natural Resources Conservation Award.

During 21 years of Navy service at Miramar, flying fighter jets and training "Top Gun" pilots, I often wondered why so many tiny puddles glistened below me on approach to the runway.

A closer look revealed that these vernal pools were home to numerous endangered species. They harbor the federally listed San Diego mesa mint and other species proposed for listing, such as the San Diego coyote-thistle, California Orcutt grass, and the Riverside fairy shrimp, all scarce and some unique in the world.

Nature has established a delicate and valuable ecological balance in the midst of a major military installation. Within Miramar's 24,000 acres lie the vernal pools—78 percent of San Diego County's vernal pool habitat is at Miramar—19 threatened or endangered species including the gnatcatcher, plus a broad wildlife corridor to allow unfettered travel of deer and bobcats and eagles and a mountain lion or two.

Under the leadership of commanding officer Captain Curtiss Schantz, NAS Miramar has developed and executed a detailed program of environmental preservation and research.

Without conservation today, Miramar's ecological treasures won't be available for our children to explore and learn about tomorrow. And that brings me to Capt. Schantz' second major environmental initiative at Miramar—education.

A child or a researcher can only learn so much about the environment from books and lectures. Valuable as they are, nothing teaches as well as hands-on experience. In our own backyard, NAS Miramar has opened its gates as wide as possible to accommodate everyone who wants to learn about and explore nature's bounty. And members of Miramar's own natural resources staff regularly visit schools, conducts biology and ecology programs for our children, and administers natural resources conferences on-base.

On September 25, 1992, the Air Station will show its concern for the environment by hosting an "Environmental Tribute." I commend my colleagues in Congress to join me in strong support of this tribute, and the kind of ecological work NAS Miramar has done.

Miramar's work is only the beginning.

As a member of the House Armed Services Committee, I intend to spread the message about Miramar's Natural Resources Program across California and the Nation. Especially in California, where military installations like Camp Pendleton, Fort Irwin, and Twentynine Palms are all situated in ecologically sensitive areas, the standard set by NAS Miramar serves as a shining example of how intensive military training can indeed coexist with environmental concern.

The same U.S. military that pursued a policy of environmental neglect for so many years now operates by a new standard: "We don't inherit the Earth from our ancestors, we borrow it from our children."

It's about time.

Let the permanent RECORD of the Congress of the United States show that the personnel of Miramar Naval Air Station have shown exceptional leadership in the fields of environmental preservation and reclamation, and succeeded in raising a high standard for the rest of America to follow.

FEDERAL COURT UPHOLDS SUBCOMMITTEE DECISION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. LANTOS. Mr. Speaker, on September 10, 1992, Judge Stanley S. Harris of the U.S. District Court for the District of Columbia ordered, in *United States* v. *Leonard Briscoe, Sr. and Lance Wilson,* No. 91–399 (D.D.C. Sept. 10, 1992), that the House motion to quash defendants Wilson and Briscoe's subpoenas for subcommittee records be granted. I am inserting a copy of the order for the record.

Defendants Briscoe and Wilson are being prosecuted by the Office of the Independent Counsel in connection with the HUD scandal. The scandal was, to a large degree, uncovered by the Employment and Housing Subcommittee and extensively investigated by it. The scandal was the subject of numerous hearings, see "Abuses, Favoritism, and Mismanagement in HUD Programs," hearings (parts I–VI) before the Subcommittee on Employment and Housing of the Committee on Government Operations, 101st Congress 1st–2d session (1989–90); and a specific report of our findings were published, "Abuse and Mismanagement At HUD," H.R. Rep. 977, 101st Congress second session (1990).

The defendants sought through subpoena to compel the subcommittee to produce any and all statements and interview notes for no fewer than 15 named individuals. A number of those named individuals gave important testimony, which was published in the hearings and report on HUD. Thus, the defendants attempted to compel the subcommittee to make available to them its preparation of witnesses for those vital legislative hearings. The subcommittee, through House counsel, asserted its absolute privilege pursuant to the speech or debate clause of the U.S. Constitution, which provides that "for any Speech or Debate in either House, they—the Senators and Representatives—shall not be questioned in any other place." U.S. Constitution article I, section 6, clause 1.

The defendants asserted in response that "the privilege under the Speech and Debate Clause is not absolute"; "that they are entitled to the records on the grounds that the privilege provided by the Speech and Debate Clause confers only qualified immunity which must give way to a criminal defendant's rights under the Fifth and Sixth Amendments * * * "; that "a waiver of the privilege already has occurred in that the Subcommittee has provided the Office of Independent Counsel [OIC] some access to the—published—materials of the Subcommittee;" that "the House has waived its privilege by publishing excerpts from its nonpublic interviews in its report entitled 'Abuse and Mismanagement at HUD.'"; that "the use of the Speech and Debate Clause" would "deny the defendants a 'meaningful opportunity to present a complete defense'", that the case of *United States* v. *Ehrlichman,* 389 F.Supp. 95, 96–97 (D.D.C. 1974), aff'd on other grounds, *United States* v. *Liddy,* 542 F.2d 76, 83 (D.C. Cir. 1976) was "inapposite"; that "any such absolute privilege would be unconstitutional and that the invocation of such a privilege to shield exculpatory information either would not be tolerated or would require dismissal."

Primary support for the subcommittee's claim of absolute privilege in the Motion to Quash came from the Supreme Court's decision in *Eastland* v. *United States Servicemen's Fund,* 421 U.S. 491, 502 (1975), which applied the clause's protection to an investigation by a Senate subcommittee. The Supreme Court explained that the clause protects congressional committee investigations, like speech on the floor of the House or Senate, for being within the "legitimate legislative sphere" since [a] legislative body cannot legislate wisely or effectively in the absence of information. * * *" The Supreme Court decided that in that case a congressional committee's privilege against being "questioned in any other place" is an "absolute" one. Also of instrumental support was the D.C. Circuit's own decision in *Minpeco* v. *Conticommodity Services,* 844 F.2d 856 (D.C. Cir. 1988), in which the court upheld the quashing of a subpoena duces tecum for House subcommittee investigative records. There was no waiver in the subcommittee's publishing of parts of its investigation.3

By quashing the subpoenas, the District Court recognized the importance and constitutional independence of the subcommittee's HUD investigation.

[U.S. District Court for the District of Columbia, Criminal No. 91-399 (SSH)]

UNITED STATES OF AMERICA, PLAINTIFF, V. LEONARD EDWARD BRISCOE, SR., LANCE HENRY WILSON AND MAURICE DAVID STEIER, DEFENDANTS

(House Subcommittee on Employment and Housing, Subpoena Respondent)

ORDER

Upon consideration of the House Motion to Quash Defendants Wilson and Briscoe's Subpoenas for Records, and for good cause shown, it is hereby

Ordered that the House Motion to Quash is Granted.

STANLEY S. HARRIS,
U.S. District Judge.

BACK ON JOB, STRIKERS WONDER: WAS IT ALL WORTH IT?

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1992

Mr. MICHEL. Mr. Speaker, last week I inserted into the RECORD a series of articles that were previously published in the Chicago Tribune. These articles detailed the economic forces that pit U.S. employers, unions, and workers against one another. I highly recommend this series to all of our colleagues and at this time I would like to insert the final article.

[From the Chicago Tribune, Sept. 10, 1992]

BACK ON JOB, STRIKERS WONDER: WAS IT ALL WORTH IT?

(Who ultimately wins or loses in the Peoria dispute many signal the future of American labor. Last in a series of the economic forces that pit U.S. employers, unions and workers against one another. Reported and written by Stephen Franklin, Peter Kendall and Colin McMahon.)

Jan Firmand couldn't believe it. First her union caved in after a 5½-month strike that got her absolutely nothing. Then Caterpillar turned her away from her transmission factory the first day she tried to go back to work.

And finally, when she did get back on the job, who was she teamed up with but the No. 1 line-crosser himself, Dick Owens.

Owens was one of the best machinists on the floor at Building KK, the kind others turned to when they had a problem—and a good guy to boot, Firmand thought.

But he was a scab.

Firmand hated calling people that, but that's what Owens was, he and the hundreds of other United Auto Workers who had crossed the picket lines during the union's fall-into-winter-into-spring walkout against Caterpillar Inc.

Not only had Owens abandoned the strike, but he had also talked about it repeatedly, becoming an unofficial spokesman for those who had crossed. And now there he was, in Firmand's work cell.

They would have to work side by side.

At Caterpillar factories across Illinois on April 20, almost a week after the UAW unilaterally ended its strike under Caterpillar's threat of hiring replacement workers, people began going back to work, bitter over so many things.

They were anrgy with the union for a failed strike that cost some of them $20,000 in wages. They were angry with their union brothers and sisters who had bowed to Caterpillar's threat rather than honor their own picket line. They were angry at those in Peoria community who stood not with them but with Caterpillar as the company vowed to replace the striking workers.

But most of all they were angry with Caterpillar itself for moving to hire outsiders to take their jobs, for forcing them to choose between their livelihoods and the organization that had helped them get to the middle class: their union.

Caterpillar Inc. had shown these workers and the United Auto Workers union who was boss.

For the first time in its history, the company continued to operate during a strike, turning out yellow bulldozers built by office workers and managers and retirees.

On April 13, when a federal mediator proposed resuming negotiations without preconditions, Caterpillar said no. Faced with what had become an inevitable rush of strikers through its picket lines, the union retreated and sent its people back to work under the company's final contract offer.

When those workers did return the next day, Caterpillar turned them away at the gate and told them they would be called back when needed, when the factories were up and running fully.

For workers, it was a day of humiliation.

The strike and its hollow ending left workers resentful. A day later, five Caterpillar workers where sitting around a table at Marty's Center Tap across from building JJ. They were in a surly mood, barking at the bartender and cursing repeatedly as they talked about their employer.

"I'll go in there every day," one worker said. "But I'll be damned if I ever work another day for that company."

Caterpillar had won its battle with the UAW, forcing its employees back onto the job on the company's terms. It is open to question, though, whether winning that battle will help the company win its larger war for global competitiveness.

And there are other questions.

Will Caterpillar's defeated union work force be a productive one, continuing to produce the quality machines that made the company successful? Or will resentment turn Caterpillar's skilled workers into indifferent clock-watchers?

Will the United Auto Workers again join with Caterpillar in devising partnerships that acknowledge the new realities of the marketplace? Or will the union carry its bitterness like yesterday's baggage, clinging to strategies, such as pattern bargaining, that may be outdated?

And even if there is a meeting of minds, won't Caterpillar continue to pare down its unionized work force? What union can repel the march of automation, or the cost advantages to be gained by outsourcing jobs or building more products overseas?

If American manufacturing can be viewed as a collection of Caterpillars, where does that leave tomorrow's blue-collar worker? And what becomes of cities like Peoria, struggling to develop good jobs to replace the vanishing manufacturing payrolls that once fueled their growth?

For now, the UAW says its fight is not over. Through a combination of "in-plant strategies"—slowdowns—and outside pressure campaigns like boycotts, the union hopes to force Caterpillar to abandon its final contract offer before resuming negotiations.

A resolution seems distant. The last time the two sides talked was June 2. Caterpillar last week presented the UAW with some modifications to this last proposal, but the union immediately labeled it more of the same. No further negotiations are on the horizon.

The company shrugs off the union's campaign as "a diversion" and vows to fire any worker who sloughs off on the job.

In the meantime, the men and women who went through the most bitter strike in the company's history go to their jobs every day. Few seem to know or care about any in-plant strategy. Most are disillusioned, with both the union and the company.

Many are counting the days until retirement, five, six, seven years away.

In the days and weeks following the UAW's suspension of its strike, the returning workers had to deal with anger, animosity—and one another.

To Jan Firmand, what Dick Owens did could not have been more wrong. She believed that the union had one thing going for it, solidarity, and that Owens and the others who crossed the picket lines had betrayed that principle.

The first day back at work after the strike, when Firmand was thrown together with Owens by chance, she told him how she felt. In a voice that still has the twang of her native Kentucky, Firmand told Owens he was dead wrong.

But she also cut him some slack.

"I don't approve of what you did," Firmand told Owens. "But that's neither here nor there. We have to work together."

During that first shift, Firmand saw Owens getting the cold shoulder from most workers. She made a point of making small talk with him, asking about his wife and kids.

"He's a swell person," Firmand said. "But he is so wrong on this issue."

By June, the bitterness Firmand felt toward Owens and the other line-crossers had subsided. She still blamed them for crippling the union, for robbing it of its ability to strike in the future, but two months had drained the vigor from her emotions.

"It's like, I don't care anymore who's crossed," she said. "That's old news."

Dick Owens had been news. He had spoken to community leaders about what it was like to be a working man caught in a struggle of titans. He had been quoted in newspapers and national magazines.

He had been on TV, talking about what it was like to have his home vandalized, his windows broken, his family terrified, because he crossed a picket line to save his job.

At a Kmart one day, Nancy Owens wrote a check to pay for some odds and ends. The cashier looked at Dick Owens' name printed on the check, then looked up at Nancy.

"Is this the Richard Owens?" the cashier asked.

Nancy Owens had wanted it to pass, this notoriety. Still, she was proud of her husband.

"You tell him," the cashier told Nancy Owens, "what he did was very courageous. The other ones that did that to your house were the cowards."

To Jimmie Toothman, bygones are not bygones. He still feels personally betrayed by those who crossed, and he makes his feelings clear.

"Sometimes I'll see this one guy I've known for a long time and I'll start to say hi," Toothman said, raising his right arm, then bringing it down quickly. "But then I catch myself."

To Jim Mangan, the stigma of being a line-crosser is less important than the principles that he said made him go back to work.

"Good lands," he said, "I'm going to survive if some of these sheep never talk to me again."

But his voice catches and his glance drops to the floor when he talks about it, and maybe it gnaws at him more than he can say.

"I wasn't a scab," he protested. "I went and took my job back, not someone else's. I don't need someone from Detroit telling me what to think—fanatics whose cause is not my cause."

Inside the plant, the union is now coaching Caterpillar workers in a perfectly legal form of guerrilla warfare. Called a "work-to-rule" strategy, it is a modern variation on the traditional worker slowdown.

The workers are being told by the union to wait for new instructions from a foreman after they finish one task, instead of just

going on to the next. They are being coached to get a foreman's permission to take a lunch break—the time spent searching for the foreman is time lost.

The idea behind work-to-rule is not to do a sloppy job, but to do one so perfectly and so by-the-book that it takes longer.

It is the only leverage the union can find to use against the company. If enough union members follow that prescription, Caterpillar's production would indeed be hurt. And, if the UAW pulls it off, it would be the first time such an effort has worked against a major U.S. manufacturer.

While the UAW emphasizes that the campaign is in its infancy, it already indirectly claims success at Caterpillar's Aurora plant, where production fell to an all-time low between May and July.

It's impossible to say whether that slippage was the result of a concerted effort by workers or merely a malaise among disgruntled ones. It's possible, too, that the production falloff had nothing to do with labor.

Some workers have said they are so angry with Caterpillar they are willing to join a work-to-rule program. But the idea of it goes against the very nature of most UAW members at Caterpillar, skilled professionals who take pride in their work and in what they produce—the best-selling earthmovers in the world.

Throughout its dispute, the union had bragged that it represents the most committed and productive workers in the world. Now it was asking them to be the exact opposite, to change the way they've worked, change the way they've thought for the last 20 or 25 or 30 years.

Jan Firmand, Dick Owens, Jimmie Toothman, Chuck Lovingood and Jim Mangan said they are not prepared to do that.

"They are saying, 'Do your assigned task and nothing more.' But my parents brought me up differently than that," Mangan said. "If something's wrong and I have the ability to correct it * * * I feel that's my obligation as a good employee.

"Many, many others do those same types of things, and Caterpillar is a better company because of that."

Trying to bring other pressures to bear, the UAW began picketing Caterpillar dealers, asked potential customers to put off buying Caterpillar equipment until the company settles with the union.

Company executives were furious, charging that the union leadership in Detroit was willing to sacrifice the jobs of its members in Peoria to defend principles that mean little to most workers.

"The types of things we're seeing in Peoria are counterproductive," Caterpillar Group President Gerald Flaherty said last week. "I would submit to you that if [union leaders] spent more time trying to negotiate a contract * * * and less time trying to turn away customers, then everyone would be better served."

The UAW's call for a boycott has also angered some union members, who see the strategy as "shooting ourselves in the foot."

The day after UAW President Owen Bieber raised the specter of Caterpillar's going out of business because of its poor relations with the union, the phones at Local 974 offices lit up with calls from angry members. They saw Bieber's comments as not only a threat to the company, but to their jobs as well.

"Dammit," Chuck Lovingood thought. "The UAW ain't going to break Caterpillar."

"I think it's a lot of garbage from Detroit," said Lovingood's wife, Joyce.

"Me, too," Lovingood replied.

Getting unions and companies to agree on a common plan seems key to the survival of manufacturing—and good-paying blue-collar jobs—in America.

It also seems impossible.

Most unions view companies' talk of the pressures of the global marketplace as nothing more than an excuse to assault their unions' long-held expectations that wages will continue to grow.

In turn, corporate America worries about powerful foreign firms and trading blocs that can race ahead with the latest technological innovations or quickly shift work to countries with lower labor costs.

After watching industrial giants like American Motors Corp. disappear, some unions have begun to press for more job training, as well as a say in the decisions that affect their employers' future.

But what took place between the UAW and Caterpillar should hearten neither unions nor companies.

The UAW and Caterpillar tried to cooperate in the 1980s, with some success. Suggestions from union members through the company's Employee Satisfaction Process helped Caterpillar save money. And some workers took Caterpillar up on its offer to pay for schooling beyond their jobs.

Yet the cooperative programs never took root in some factories, leaving many UAW workers out in the cold. The UAW also balked at participating in the worker-training program—intended to improve workers' job skills—because the union said it excluded older workers. Millions of dollars that Caterpillar was to have spent on training workers therefore has not been used.

It's hard to see how Caterpillar—indeed, how the U.S.—can compete against skilled and well-prepared competitors in Europe and Asia if training, technology and productivity gains are sacrificed in the heat of labor strife.

But it's not hard to see that something needs to be done, and soon.

In all 26 basic industries, from electronics to machine tools, U.S. producers' share of the domestic market has shrunk since 1979. The U.S. auto and steel industries—once international giants—now stand in the shadows of foreign competitors.

Today manufacturers search the world for the best markets to sell their goods, as well as the most cost-efficient labor markets to make them. Blue-collar workers find their salaries, their jobs, their standard of living at risk.

U.S. manufacturers in the 1960s began shifting to non-union plants in the U.S., especially in the South. Today they span the globe—and many have landed in Mexico.

Mexican factory workers earn an average of $2.17 an hour in wages and benefits, compared with $11.52 for their American counterparts.

And here is a sobering fact for American unions: Mexican workers are just as productive.

"Many of the jobs are highly skilled, in very advanced plants whose quality and productivity rival the Japanese," said Harley Shaiken, a labor expert at the University of California at San Diego. "It really is a myth that Mexico is low-tech, labor intensive. And that is where the threat comes in."

In the Mexican maquiladoras manufacturing zone south of the U.S.-Mexico border, foreign firms can take advantage of tax breaks and an average wage of $1.73 an hour. Since 1980, the number of workers in this zone, specially set up for foreign ventures, has gone from 120,000 to 470,000, according to a leading economic forecasting group.

The list of firms with Mexican operations is like a Who's Who of U.S. and Japanese companies: General Motors, Chrysler, Ford, Smith Corona, Zenith Electronics, Sony, Toshiba, Hitachi. About 85 percent of the firms are from the U.S.

How companies and unions deal with competitive pressures is crucial. Caterpillar says it is trying to hold down wages and benefits to compete worldwide. This may be only a short-term solution, however, if the company sacrifices productivity.

In the same situation, major Japanese and European companies typically try to boost productivity through added training for workers, while avoiding American-style industrial confrontations.

Union leaders and some economic analysts point to this as proof that wages are not the crux of the matter. The real issue, they say, involves unit labor costs, the economic measure of output per worker.

Higher wages, the argument goes, are competitive with lower ones if the higher-paid workers produce more.

Although Caterpillar has boasted of its workers' productivity, it has not disclosed its unit labor costs.

With a relentless certainty, blue-collar jobs paying middle-class wages have vanished in the last 12 years, in Peoria and across America.

The combined effects of globalization, corporate shrinkage and automation have chopped 2.8 million factory positions since 1979.

Once uprooted, most of these workers have had trouble getting back on their feet.

Government studies show that only miners have fared worse than factory workers in finding new jobs since the 1980s. They are out of work the longest, and their wages drop by about 20 percent once they find new jobs.

Among black and Hispanic factory workers, the displacement is even more costly. It takes them longer, on average, than whites to find new jobs. They are more likely to drop out of the job market. And they lose health benefits more frequently, according to the U.S. Labor Department.

These are jobs like the 200 UAW positions that will disappear when Komatsu Dresser, Caterpillar's major competitor worldwide, shuts its plant in October in north suburban Libertyville. The company, a joint venture formed by Japan's Komatsu Ltd. and Dresser Industries, blamed the closing on the steep recession in the construction-equipment industry.

The current recession is likely to be much tougher for factory workers than the last five downturns, going back to 1969, according to the U.S. Labor Department.

After each of those recessions, at least half of the laid-off factory workers returned to their jobs. This time, 90 percent of those laid off since January 1990 are unlikely to return to their old jobs, the department said.

Guy Roberts, a 15-year veteran of General Motors Corp.'s Willow Run plant in Ypsilanti, Mich., will become one of these statistics. Willow Run, which produces Chevrolet Caprices, is among 21 plants GM plans to close by 1995 as it moves to eliminate about 50,000 blue-collar jobs and 24,000 white-collar positions.

Union officials are hoping for a miracle to save Willow Run, but they are also urging people to prepare for the shutdown.

Roberts plans to attend classes at a community college, although he is not sure which kind of class he'll take or what career they might lead him to.

"I don't know what the job is for the future," he said. "There doesn't seem to be much of a future for anything."

Buffeted by setbacks on almost every front, the UAW's ranks have plummeted by 610,000 members, or 40 percent, since a peak of 1.4 million in 1979. It has suffered declining membership in its auto, aerospace, agricultural implement and small-parts divisions.

The union has failed to organize a single U.S. plant owned by Japanese automakers and not linked to a U.S. partner. The union has just a few contracts among 250 Japanese autoparts makers in the U.S.

For some UAW workers, especially those in small factories, their major goal is not a better contract but simply holding on to what they have.

Charles Wilson knows this well. He is president of Local 453 in Chicago, which once had 4,600 members at 22 facilities across the city. Today it has about 800 members at seven plants.

His local is so financially strapped that it cannot afford a full-time president, so he works part-time at National Castings Inc. in Melrose Park.

To keep the factory open, National Castings' 500 workers began to accept wage cuts and other concessions in 1980. Not until the most recent contract, signed earlier this year, did the company boost hourly wages back up to pre-1980 levels, Wilson said.

"It is hard, but what are you going to do?" Wilson said as he sat in the grandstands among the guests last June at the UAW's 30th convention in San Diego.

Because his local had not paid its dues to the international, he could not join the 3,000 delegates. He could only watch as they staged loud, joyful rallies with balloons and posters on the vast convention hall floor, "spontaneous" events planned well in advance so the delegates would have a chance to feel good about something.

The union certainly did not feel good about the fight with Caterpillar, whose threat to use replacement workers was only one of many by U.S. companies.

According to the General Accounting Office, an arm of Congress, U.S. companies were much more likely to threaten strikers with replacement workers in the 1980s and 1990s than ever before in this century:

At M.C. Aerospace Corp. in Lake Orion, Mich., UAW members from Local 540 in nearby Pontiac faithfully picket against the small government defense contractor, even though they were replaced more than a year ago.

In negotiations during August 1991, M.C. Aerospace told the union it wanted to cut wages from a high of $14 to $8.75 an hour; to eliminate cost-of-living adjustments; to require workers to pay 50 percent of their health insurance coverage; to trim the number of holidays from 12 to seven; to end medical coverage for future retirees; and, finally, to halt the pension plan.

Forty-four workers struck, and their jobs were quickly filled by new employees who came in under the new, lower wages.

At a Peterbilt Motors Co. plant in Nashville on Aug. 1, UAW workers voted 284-84 to end a 3-month-old strike in the face of the company's threats to use replacement workers.

At J.T. Ryerson & Sons, a subsidiary of Inland Steel Industries Inc. of Chicago, Buddy Davis of the United Steelworkers union acknowledged the replacement weapon, counseling 480 workers to reject the company's final offer, but not to strike.

Partly due to the fear of replacement workers, many other union leaders have avoided strikes in recent years. Only 40 major strikes occurred in 1991, matching the post-World War II low set three years earlier.

The unions' nemesis—replacement workers—is not new.

Immigrant workers were hired before the Civil War to replace strikers in New York, and the barons of the steel and meatpacking industries used replacements at the turn of the century to bust strikes.

The practice's most ignoble moment came 100 years ago in Homestead, Pa., when steel baron Andrew Carnegie decided he no longer would deal with a union.

His partner, Henry Clay Frick, hired replacements for the 3,800 employees at Homestead Works, then brought in Pinkerton detectives and called on the state militia. Nine strikers and seven detectives were killed, and dozens were injured in clashes.

The strike was eventually crushed, the union's leaders were fired and blacklisted, the plant went non-union, wages dropped, and the union was shattered. It was a brutal lesson for organized labor.

But once the industrial unions began gaining power in the 1930s, thanks to efforts like those of the UAW and the United Mine Workers, the practice of hiring replacements to break strikes was minimal.

The U.S. Supreme Court had asserted in 1938 that companies could use replacement workers in strikes, but the ruling was little noticed. Labor was too powerful, its aims too popular, for companies to use replacements. Companies were reluctant to take on unions.

The decision by President Ronald Reagan to fire 12,000 air-traffic controllers in 1981, however, opened the door to a waive of replacement hirings, or at least the threat of them.

In 1985 and 1989, according to the General Accounting Office, employers threatened to use replacement workers in one-third of all strikes.

According to the Bureau of National Affairs, U.S. companies used replacement workers in 17 percent of the 407 strikes it studied in 1990, replacing a total of 11,500 union members.

A year later, according to the private research firm, businesses used replacements in 14 percent of the 322 strikes studied, putting 2,000 union members out of their jobs.

Greyhound Lines Inc. replaced 9,000 workers during a 1990 strike. The Chicago Tribune hired 800 replacements in 1985, and the New York Daily News which was then owned by Tribune Co., hired replacements during a 1991 strike by more than 2,000 employees.

These companies were able to bring in replacement workers in part because pro-union sentiment fell off dramatically after the 1970s.

In 1977, 39 percent of those questioned in a Gallup Poll said they had a great amount of confidence in organized labor. By 1991, that number had fallen to 22 percent.

A bill that would have greatly limited the use of permanent replacement workers was passed in the U.S. House in 1991 but was killed by a Republican filibuster in the Senate in June. Organized labor had lost again.

Given these defeats, it is no wonder that a dramatic shift has taken place in Peoria and across the nation over the last 20 years.

Factory workers' wages have stalled or slipped into reverse, putting blue-collar salaries even further behind white-collar ones. The least-educated workers and those permanently laid off from their factory jobs have fallen even further behind.

The major reason for the shift appears to be companies' decision to pay more for skilled labor, and less for unskilled. But it also comes from the decline in union membership, the flight of jobs to lower-wage states and to overseas, and pressures on firms in the global market.

The downward surge in wages helps explain the government's discovery that the middle class, as defined by individual income, shrank between 1969 and 1989. Many low-skill workers fell from the lower-middle class into the lower class.

Blue-collar workers' salaries, adjusted for inflation, tumbled 9.8 percent between December 1977 and June 1992, while white-collar salaries fell by about 2 percent, according to the U.S. Labor Department.

The downward pressure on wages has kept non-union and union workers far apart.

Union factory workers earned about $14.82 an hour in 1989, while non-union employees earned $9.49, according to the Economic Policy Institute, a liberal think tank in Washington, DC.

Young workers without seniority or the skills to find better jobs have also discovered how the odds against them have grown.

Couples who were 25 years old and younger in 1989 had $3,184 less in income to spend than their counterparts 22 years earlier, according to the Economic Policy Institute.

For workers between 25 and 34 years old, family incomes fell by half a percentage point yearly between 1979 and 1989—exactly the opposite of what had happened from 1967 on, according to the Economic Policy Institute. These facts of life are well understood in Peoria, where young people no longer count on a factory job.

Consider Brian and Melissi Bowers.

Melissi's father worked at Caterpillar, and her uncle, Chuck Lovingood, still works in the transmission factory. Brian's father is a salaried worker in East Peoria.

"Every young kid who grows up here, that's his dream, to work for Caterpillar," said Melissi's mother Sue Stanley, who owns the Glee Club Tavern across the street from Caterpillar's transmission plant in East Peoria. "All their fathers did."

Stanley's Glee Club has indirectly suffered from the changes going on at Caterpillar, in the Peoria area and across blue-collar America.

Before the big layoffs of 1982, a line would snake out the back door on paydays as men and women waited to cash their checks.

Sue stationed herself at a window cut into the kitchen wall, a pistol within easy reach, and dispensed $40,000 to $50,000 in cash each payday.

Her late husband, John, tended the bar, and in those days the guys kept him running. The Glee Club turned $1,500 to $1,900 in bar business each night.

Now, weeknights are no bigger than $350, weekend nights are no more than $600.

An electronic dartboard game covers the window in the kitchen wall. Stanley still cashes checks, but does it from a box behind the bar.

"I'm getting by," Stanley said.

That, too, is all that can be said of Stanley's daughter, Melissi, and her son-in-law, Brian.

Melissi and Brian belong to the new service economy, and their economic lifeline—Wal-Mart—is the symbol of the nation's spurt of low-wage jobs.

Brian, 23, earns $8 an hour driving a Forklift at Sam's Club, a Wal-Mart warehouse store. Melissi, 21, is a "team leader," or department head, in Wal-Mart's east Peoria

store. Combined, their salaries are less than the lowest UAW paycheck at Caterpillar.

The Bowerses live with their 1½-year-old daughter, Brittni, in a 14-year-old trailer they recently bought for $3,000. Melissi's mother was on the verge of tears when she saw it. It really needed some work.

"But it is ours," Melissi told her mother.

"We look at what we've got and we feel thankful," Brian said. "We have good cars and we bought a trailer. We are thankful for what we have, but we want more."

Like the Bowerses, Peoria has seen the future, and it is not unskilled factory work.

Economic development officials are working to bring in small "information technology" companies, or white- and pink-collar offshoots of larger corporations—"back room" operations where, for example, claims or bills are handled.

To meet the labor needs of these businesses, the Peoria Area Private Industry Council is pouring money into job training and retraining programs. And Peoria educators are changing the way they teach.

With the help of both money and guidance from the Peoria Area Chamber of Commerce, School District 150 last year opened the first of what will be at least three specialized academies—basically schools within high schools that seek to prepare students for specific careers after graduation.

The academies are part vocational education, part on-the-job training. The order of the opening of the academies tells as much about 1990s Peoria as anything else. The business academy was the first to open; then the health-sciences academy, which opened this September. The manufacturing academy, meanwhile, will be last to open, scheduled for 1993.

The reason for this was simple, said Ed Bradle, director of the academies program: "We knew there were going to be more business jobs available for students."

Slogans like "Consider your options: High skills or low wages" are taped up all over the walls of the business academy, and officials say the emphasis is on continual worker improvement.

"We're trying to develop a commitment to lifelong learning," Bradle said.

Glen Waters has made that commitment, and prospered.

He joined Caterpillar in 1978 after working 17 years at General Electric in Morrison, Ill., about 30 miles northeast of the Quad Cities.

He had walked into GE a year out of Morrison High School as an unskilled laborer and worked his way up to a semi-skilled position.

He put in nearly 500 hours of his own time to take a manufacturing course offered by the company, but when GE refused to promote him to machinist, he bolted to join Caterpillar.

Like thousands of others, Waters was laid off from Caterpillar in the mid-1980s. But during that time, he earned an associate degree in electronics from Illinois Central College and moved up again shortly after his return to Caterpillar in 1988.

"When I got laid off, I wasn't looking back, I was looking ahead," Waters said. "I wasn't going back to the job I had."

Now Waters, 50, is an electrical repairman at Caterpillar's proving grounds. It's a Level 6 position, the highest among unionized employees, and he makes $19.41 an hour.

He ticks off his professional progression on a grizzled, calloused left hand, using the right index finger with the tip missing to count off. He lost the tips of two fingers in an accident at General Electric.

"See, this is nonskilled, semi-skilled, skilled and skilled with a degree," he said. "That's an associate degree, and I want to get a bachelor's now. . . . I want to be an engineer.

Worker preparation is a Waters mantra.

"There is a dividing line," he said. "You can see the difference between those that are out to improve themselves and those that are not.

"You talk about classes and some guys say, 'Well, I don't have time for that.' Those are the kinds of guys that are going to stay where they're at. Their jobs are going to fizzle out. They're going to make it to retirement and that's it."

In a speech to his class at Illinois Central College, Waters talked about a changing workplace in which, because of robotics and advanced machinery, "the need for the assembler and the laborer is no longer going to be there."

"We're going to see the day when there are only floor sweepers and engineers," Waters told the class, "You'll either have an education and a decent job, or you're going to be sweeping floors and picking with the chickens."

Jimmie Toothman's dad didn't much care whether his boy did his homework or got an education. There was plenty of work to go around back then, work a young man could get pretty easily, work like what the old man himself did at the Caterpillar factory.

Jimmie Toothman's 8-year old son gets A's and B's. He does his homework—his dad and mom make sure of that. He won't end up with the same good job Toothman now has, assembling tractors at Caterpillar's showcase plant in East Peoria. That job, Toothman acknowledged, may not even be there by the time his son is grown.

Jimmie and Joyce Toothman sat at the kitchen table of their modest home in Creve Coeur one night in August, talking about their four children's future in a world that is so unlike the one they grew up in.

They went over little Jimmie's homework with him as they talked. Outside, taking care of the two youngest Toothmans, 12-year-old Kimberly Toothman pondered what she wanted to be when she grows up.

She's not sure, but she has her orders:

"My dad says I'm going to be a doctor, and that's that.

Jimmie Toothman has learned one of the lessons of Caterpillar: The blue-collar road to the middle class likely will be closed to his children, and they must be equipped to take another path.

The challenges facing the Toothman family are not so different from those that confront the entire nation at the end of what has been called the American Century.

Unions must find new ways to stand up to—and work with—their employers. Companies must find ways to boost productivity and remain globally competitive, all the while ensuring the participation of a technically prepared work force.

And workers—whether in factories, office towers or high-tech research parks—must be willing and able to adapt to change. If they aren't, the world will change without them.

Ask anyone in Peoria.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, September 22, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 23

9:00 a.m.
Conferees
On S. 2, to promote the achievement of national education goals, to measure progress toward such goals, to develop national education standards and voluntary assessments in accordance with such standards, and to encourage the comprehensive improvement of America's neighborhood public schools to improve student achievement.
S-207, Capitol

10:00 a.m.
Labor and Human Resources
To hold hearings on issues relating to traumatic brain injury.
SD-430

10:30 a.m.
Conferees
On H.R. 5518, making appropriations for fiscal year 1993 for the Department of Transportation and related agencies.
S-126, Capitol

2:00 p.m.
Foreign Relations
African Affairs Subcommittee
To hold hearings to examine recent developments in South Africa.
SD-419

Judiciary
To hold hearings on national economic strategies for a global economy.
SD-226

SEPTEMBER 24

9:15 a.m.
Governmental Affairs
To hold hearings on reforming postal procurement and contracting, focusing on the Eagle Air Hub example.
SD-342

9:30 a.m.
Select on POW/MIA Affairs
To resume hearings to review the Paris Peace Accord negotiations and aftermath.
SH-216

10:00 a.m.
Foreign Relations
To hold hearings on the nominations of David J. Dunford, of Arizona, to be Ambassador to the Sultanate of Oman, John Cameron Monjo, of Maryland, to be Ambassador to the Islamic Republic of Pakistan, and William Arthur Rugh, of Maryland, to be Ambassador to the United Arab Emirates.
SD-419

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Special on Aging

To hold hearings to examine Federal and State efforts to combat consumer fraud that targets the elderly, focusing on living trust scams, home repair and mail order fraud, and guaranteed giveaway scams.

SD–628

11:45 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To resume hearings to examine Federal and State efforts to combat fraud and abuse in the insurance industry, focusing on the Blue Cross/Blue Shield program of Maryland.

SD–342

2:15 p.m.

Foreign Relations

To hold hearings on S.J. Res. 325, to strengthen Congressional support for collective security participation under article 43 of the United Nations Charter, which provides for military actions necessary for the purpose of maintaining international peace and security.

SD–419

2:30 p.m.

Small Business

Business meeting, to mark up S. 2941, to provide the Administrator of the Small Business Administration continued authority to administer the Small Business Innovation Research Program to the year 2000.

SR–428A

SEPTEMBER 25

9:00 a.m.

Governmental Affairs

Permanent Subcommittee on Investigations

To continue hearings to examine Federal and State efforts to combat fraud and abuse in the insurance industry, focusing on the Blue Cross/Blue Shield program of Maryland.

SD–342

10:00 a.m.

Finance

Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee

To hold hearings to examine the financial strength of the Pension Benefit Guaranty Corporation, which insures retirement benefits for over 40 million American workers.

SD–215

Select on Indian Affairs

Business meeting, to mark up S. 2977, to establish within the Bureau of Indian Affairs a program to improve the management of rangelands and farmlands and the production of agricultural resources on Indian lands, H.R. 2144, to extend Federal recognition to certain California Indian groups, S. 3155, to establish the National Indian Policy Research Institute, S. 3237, to limit the 4-year waiting period that certain tribal governments have been confronted with in administering Federal programs under the Indian Self-Determination Act, and proposed legislation relating to Indian education trust funds.

SR–485

SEPTEMBER 29

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Research and General Legislation Subcommittee

To hold hearings on the implementation of the Alternative Agriculture Research and Commercialization (AARC) Act of 1990 (P.L. 101–81), focusing on the current activities of the AARC Board and future activities with regard to establishment of regional AARC centers and the development of patent and licensing agreements.

SR–332

10:00 a.m.

Foreign Relations

Business meeting, to consider pending calendar business.

SD–419

Judiciary

Patents, Copyrights and Trademarks Subcommittee

To hold hearings on international piracy of intellectual property.

SD–226

SEPTEMBER 30

9:00 a.m.

Finance

To continue hearings on issues relating to the North American Free Trade Agreement.

SD–215